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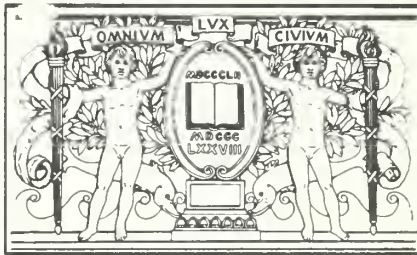


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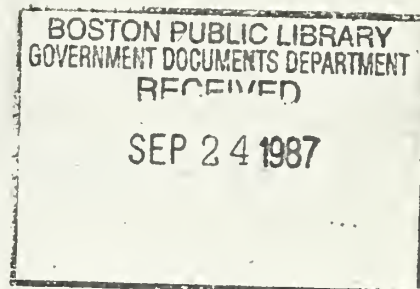
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Changes Recommended
in the Charter and Statutory Provisions
Affecting the City of Boston

Boston Municipal Research Bureau
40 Central Street,
Boston, Massachusetts.

November 24, 1933.



BOSTON MUNICIPAL RESEARCH BUREAU
40 Central Street,
Boston, Massachusetts.

November 24, 1933.

To the Boston Charter Revision Commission,
State House,
Boston, Massachusetts.

Gentlemen:

The attached report presents the recommendations of the Boston Municipal Research Bureau with respect to changes in the Charter and laws relating to the City of Boston. In view of the fact-finding character of this organization, the memorandum stresses the subjects dealing with the administration rather than the politics of city government.

Tremendous financial problems will face the new City administration. It is, therefore, particularly important that your Commission give the most careful consideration to revision of the budgetary and other financial provisions of the Charter and laws affecting Boston.

The Research Bureau will be glad to render further assistance in the work of the Commission, including the drafting of bills designed to carry out those Bureau recommendations which your Commission accepts.

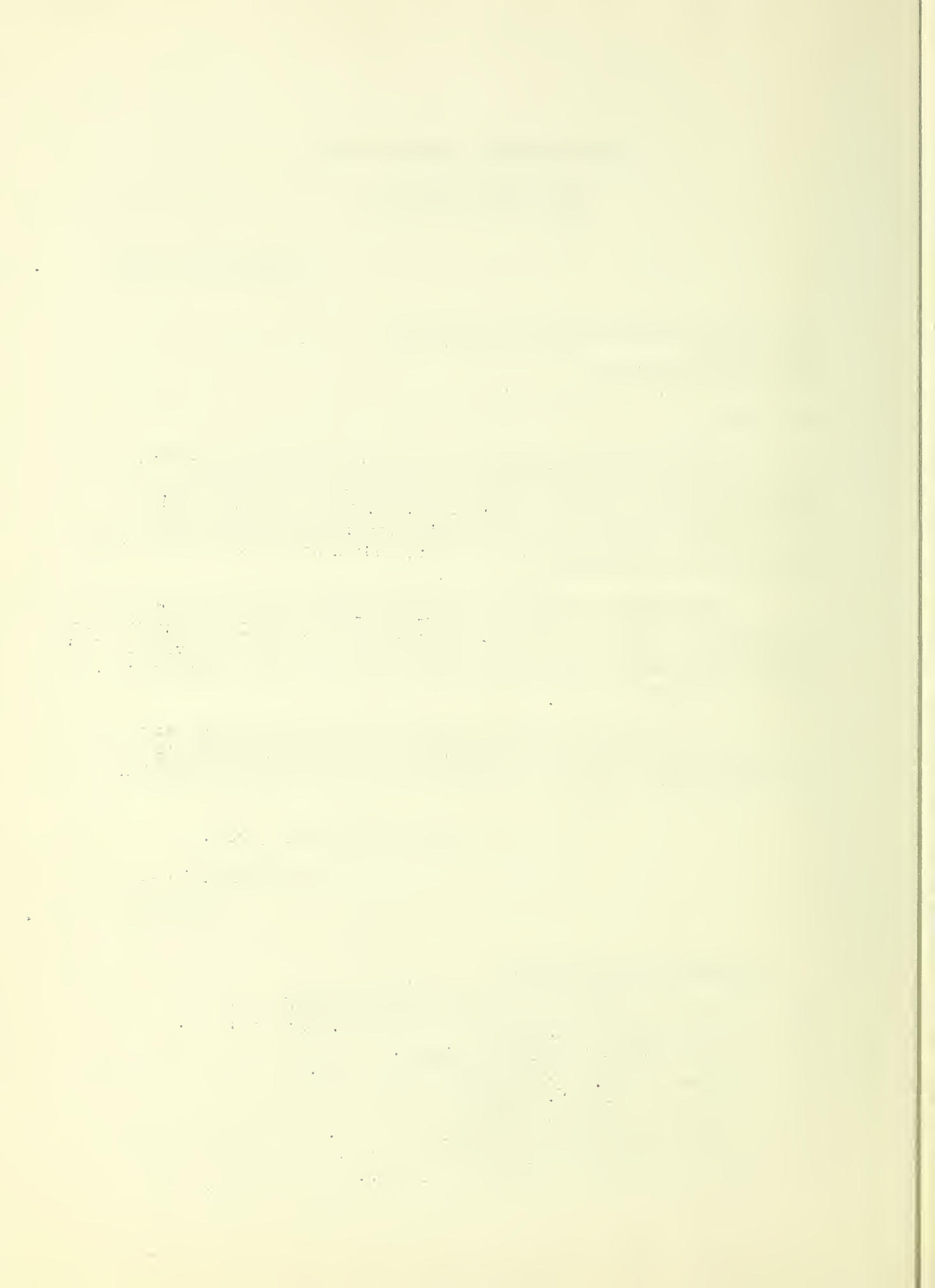
Very truly yours,

H. C. Loeffler,

Secretary.

Members of the Commission:

Sen. Theodore R. Plunkett, of Adams, Chairman.
Judge Michael H. Sullivan, of Boston, Vice-Chairman.
Sen. Frank Hurley, of Holyoke.
Rep. Chester W. Chase, of New Bedford.
Rep. William H. Doyle, of Malden.
Rep. Clayton L. Havey, of Boston.
Rep. Christian A. Herter, of Boston.
Rep. Frank J. McFarland, of Boston.
Mr. John J. Attridge, of Boston.



CHANGES RECOMMENDED IN THE CHARTER AND STATUTORY PROVISIONS
AFFECTING THE CITY OF BOSTON

The Boston Municipal Research Bureau herein recommends changes in the Charter and laws relating to the City of Boston designed to secure more efficient and economical operation of the government of the City. We urge their careful consideration in the formulation of this Commission's report to the next session of the General Court.

The recommendations made do not contemplate abandonment or even major revision of the present Charter. They are more in the nature of perfecting amendments designed to remedy some of the shortcomings of that instrument. These recommendations relate to two general phases of the city government -- city finances and general government, -- and in their order of presentation under these two main headings are as follows:

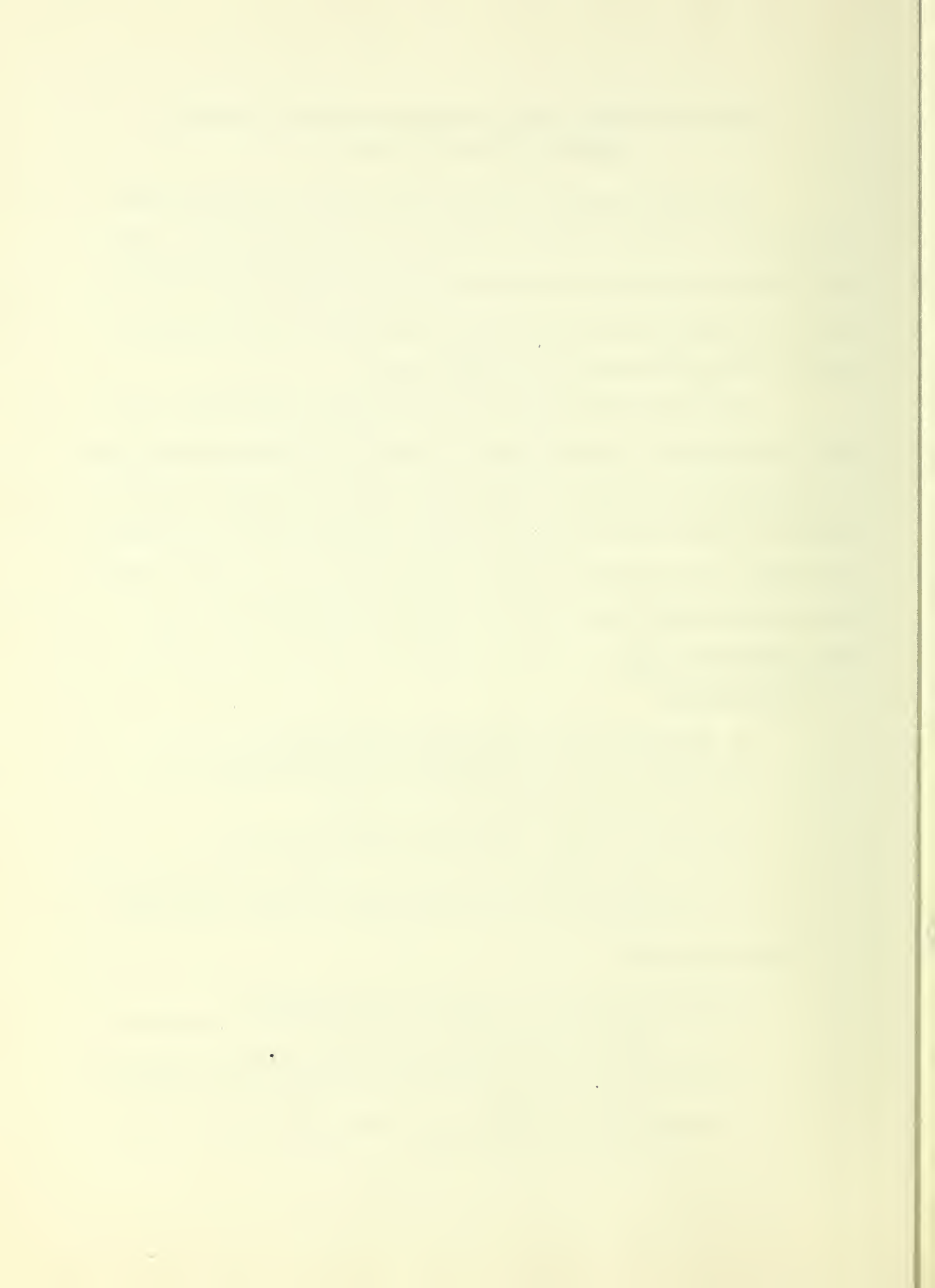
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CITY FINANCES

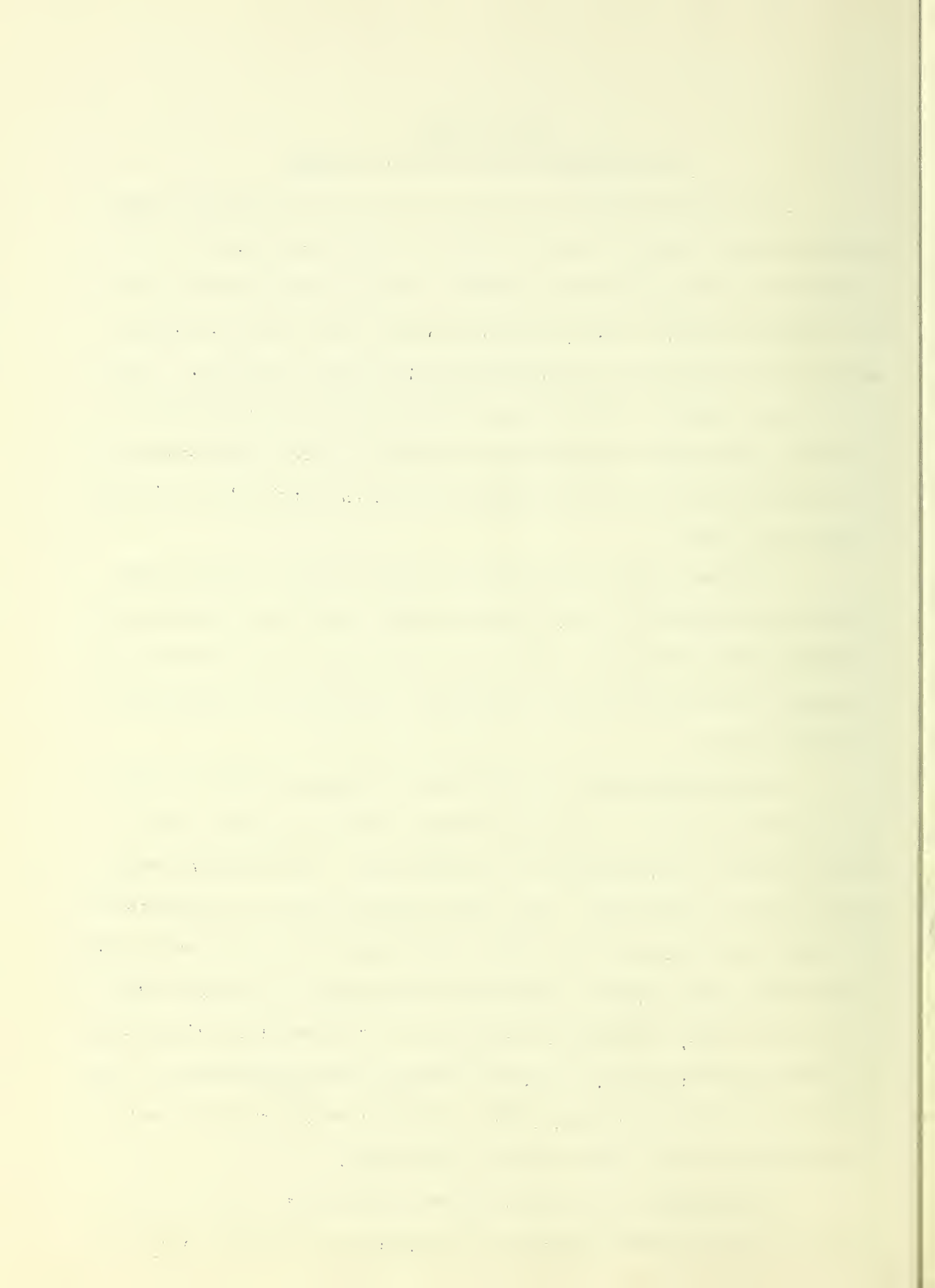
I. IMPROVING BOSTON'S BUDGET PROCEDURE

The Research Bureau believes the question of improving the City's budget procedure is one of the most important matters which should be considered by the Charter Revision Commission. There is great need for a budget document which will achieve proper planning of city finances and better administrative control over departmental operations and expenditures. There is also great need for a better budget calendar and for the presentation of sufficient information in understandable fashion, to secure greater and more informed participation by city councillors and citizen agencies in the formulation of the budget.

Recommendations of the Bureau in this regard are concerned with changes in the statutes to insure better results, rather than a criticism of officials administering the present system. The task of these officials has naturally been that of carrying on the City's activities in accordance with existing statutes.

Present Budget Laws. The City Charter requires the Mayor to submit the annual budget for the city and county to the City Council within thirty days after the beginning of the fiscal year. The fiscal year corresponds with the calendar year. The Council may reduce but not increase budget items without approval of the Mayor. The Legislature in the early months of the fiscal year, imposes a limit on current expenses of city departments for the entire year. In 1933 this limit took the form of a bill stipulating the maximum appropriation to be made by city authorities; theretofore it had always been in the form of a tax limit. No general statutory limit governs the remaining portions of the city and county budget.

The Practice. The annual city and county budget consists of five parts; (1) City maintenance within the appropriation or tax limit, (2) City



debt requirements, (3) County maintenance, (4) County debt requirements, and (5) Revenue Department requirements, (i.e. requirements for self-supporting departments such as Water and Printing). Budget items may include capital expenditures to be paid for from current revenue. They do not include capital expenditures to be paid from the proceeds of loans. Such loan orders may be submitted on the initiative of the Mayor, or City Council, at any time during the year.

A typical budget calendar for Boston is as follows:

- | | |
|---------------|---|
| Sept. | Mayor calls for city and county budget estimates, sending out budget forms. |
| Oct. | Department estimates due. ("Dead-line" rarely observed except by smaller departments.) |
| Jan. 30 | Charter requires budget be submitted to City Council. (Means little since the City has no adequate appropriating power for "City purposes" until the Legislature acts. To meet this situation the Mayor submits a "dummy" budget which the City Council lays on the table.) |
| Feb. or March | Legislature considers and acts on an appropriation limit bill (1933) or a tax limit bill (prior to 1933), and the Governor approves it. (March 31 in 1932, and May 3 in 1933). |
| Soon After | Mayor submits real budget to City Council. (In 1932 on April 4). This is the first date when all details of the official budget are made public in a printed document. The City Council holds public hearings, calling in department heads; and takes final action. In 1932, this passage occurred on April 18; in 1933, on June 12. For many years, the City Council has passed the budget exactly as submitted. |
| June or July | Announcement of metropolitan and special state assessments. |
| | School budget passed by School Committee. The continuous tax limit established by the State for schools removes the need for legislative action unless an increase in the limit is proposed. (No public hearing ordinarily held.) |
| | Supplementary city and county budget is usually submitted by Mayor and passed by City Council. |
| | State tax on municipalities fixed by statute. |

August Announcement of state estimates of income, and of
 corporation tax distribution.

 Tax rate announced by Board of Assessors.

September Tax bills sent out, payable September 15, and accru-
 ing penalties if unpaid on October 2.

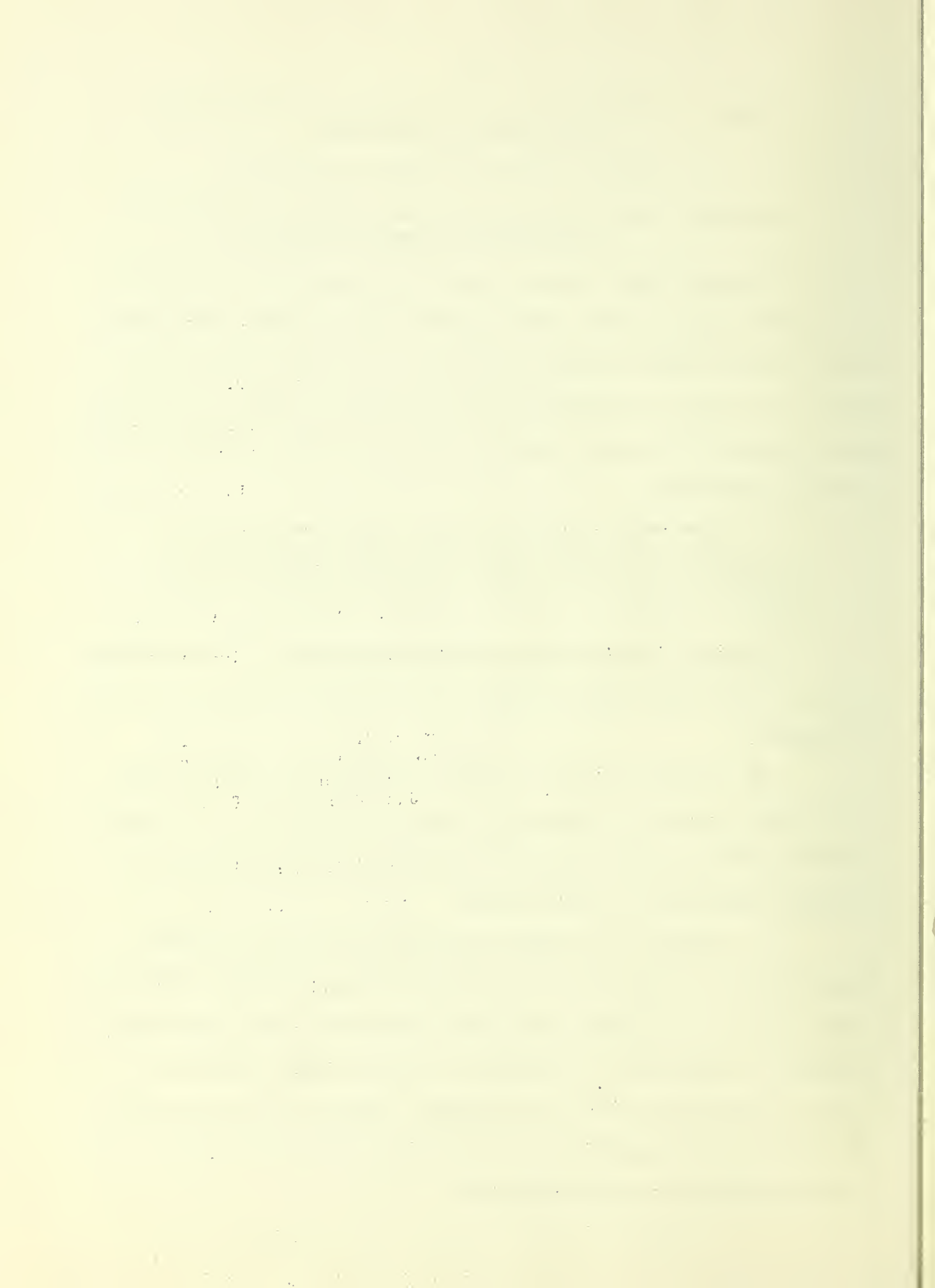
The normal budget calendar was varied considerably in connection with the 1933 budget. Future budget calendars will be further amended when various changes enacted by Chapter 254 of the Acts of 1933 take effect on December 31, 1934. The following provision of this new statute (Section 42) which provides for semi-annual payment of taxes, will have an important effect on future budget dates:

"Taxes shall be payable in every city, town, and district in which the same are assessed, in two equal installments, on July first and on October first of each year, and bills for the same shall be sent out not later than June fourteenth of each year"

Defects of Present Budget Calendar and Procedure. The outstanding defects of the present budget procedure in Boston may be briefly summarized as follows:

(1) The budget fails to present a comprehensive financial plan for the City's income and expenditures during the coming year. For example, much of the City's estimated income is excluded from the budget as well as estimated expenditures on loan projects.

(2) Supplementary budgets are usually enacted in the summer. They constitute a breakdown of proper budget control. Department heads overspend early in the year and oftentimes the character of their departmental activities is such that it is impossible to require economy later in the year to compensate for earlier overspending. Necessary adjustments during the year should be accomplished by decreased allotments and transfers. Supplementary budgets should be eliminated.

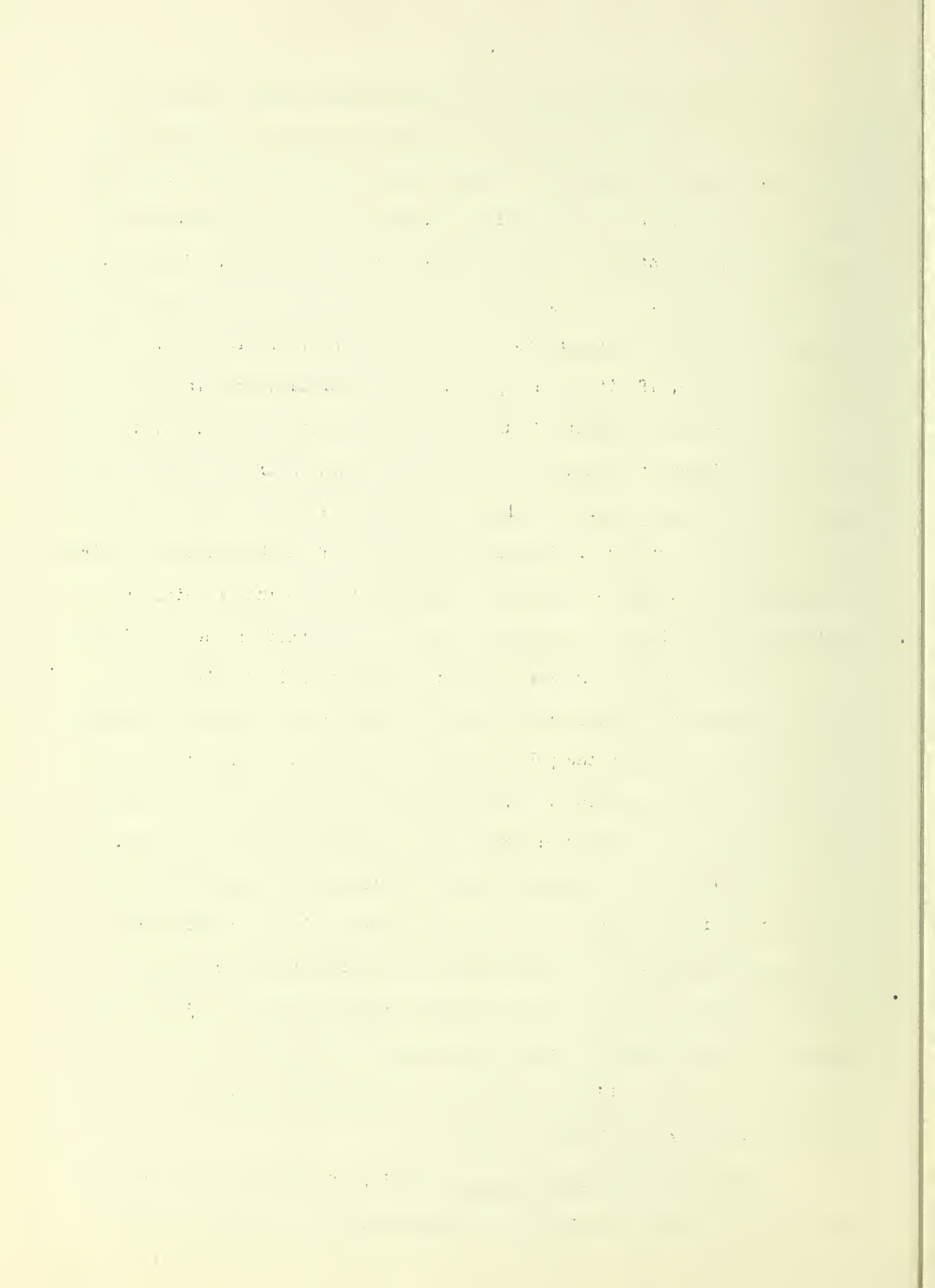


(3) City departments are practically without budget control for the first three or four months of the year until the Legislature acts. The delay arising from the necessity to obtain legislative approval is, of course, outside city control. It is impossible to discuss in this short review the advantages and disadvantages of state control of Boston's Budget. Even with state control, however, the delay could be eliminated by a tax or appropriation limit set by the Legislature to take effect in the following year. An alternative solution, if either an appropriation or tax limit continues to be used, would be the amendment of Chapter 254 of the Acts of 1933, which provides for semi-annual payment of taxes, so as to make half the total tax required by the budget payable on July 1, and the remainder, not necessarily half of the tax, on October 1. This would mean that if the Legislature required a change in the budget -- probably a small reduction -- this requirement could be met by the City's adjustment of the second half of the tax bill.

(4) Information comparing the new budget items in detail with similar expenditures of past years, and indicating changes from the preceding year is not now provided in the published budget document. Such data should be available, with explanation of major changes, for the proper guidance of city councillors and the public alike at an early enough date to be useful.

(5) Since the segregated budget in Boston was promulgated by executive order of the Mayor, there is no statutory or charter requirement to continue this system. As a consequence certain difficulties connected with the 1933 budget caused rather important changes to be made at just the time when a scientifically prepared budget would have been of the greatest assistance in meeting difficult conditions. A modernized, scientific budget should be required by the City's Charter.

Modernization of Budget Needed. The City of Boston is in need of changes in the budget provisions of its Charter which will achieve compre-

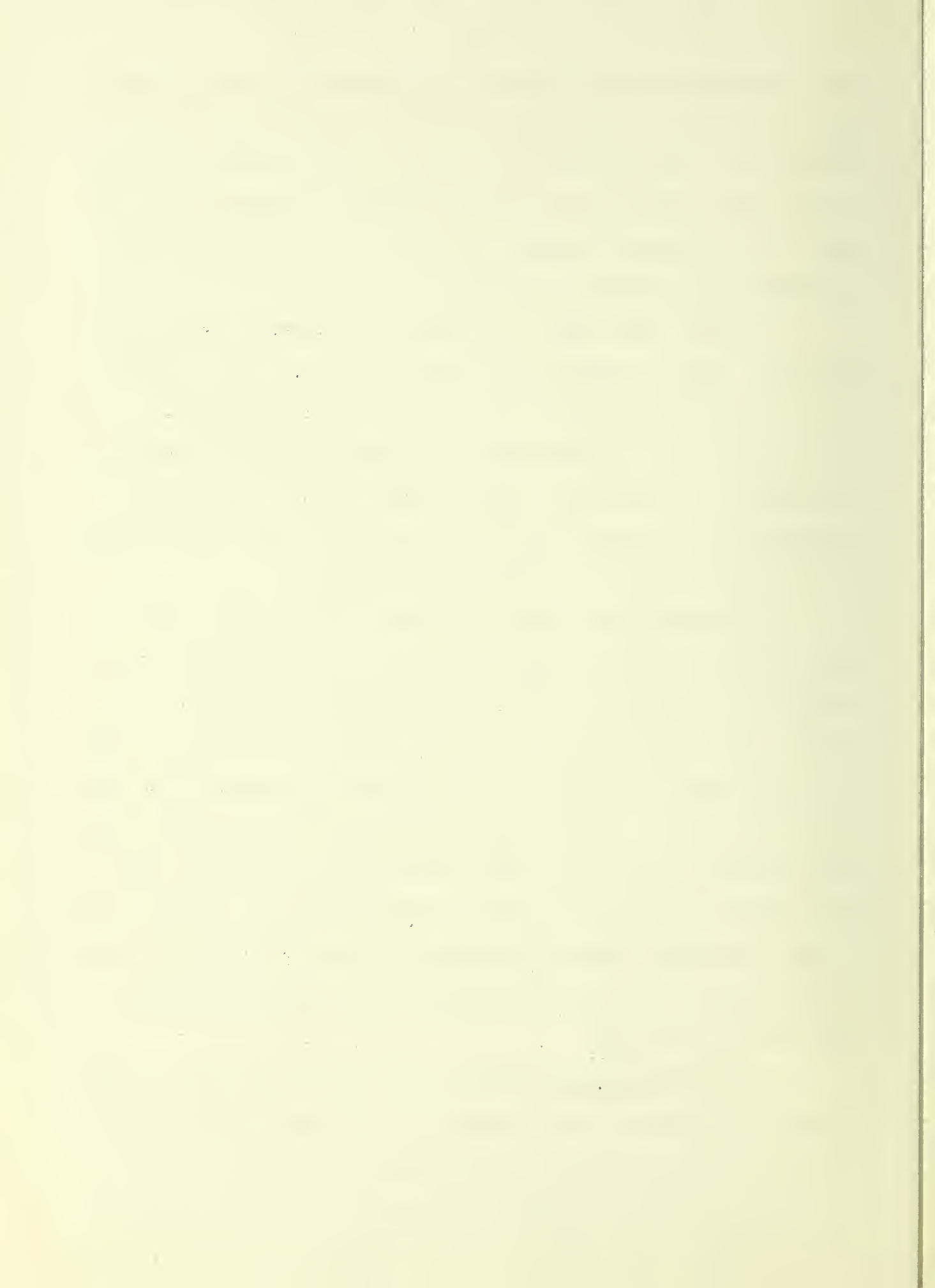


hensive and sound financial planning for the City, and also improve present budget deliberations. The growing complexity of city government, the increasing fund of experience here and elsewhere in the relatively new science of proper budget control, and the difficult problem of balancing income and outgo during the present depression are but some of the factors which make it advisable to make changes at this time.

Briefly, a city budget may be viewed as a financial plan for the coming year. The term "budget" used in this sense obviously has a broader meaning than is commonly given to it in the statutes affecting Boston. A true city budget must be sufficiently comprehensive to cover all financial requirements in a document which balances income and outgo according to a plan rather than a fractional list of recommendations. There must be proper provision for execution of the budget when once adopted.

The budget originates from the requests for funds made by departmental officials, is correlated and revised by a designated official, and is submitted to the legislative body of the municipality (in Boston, the City Council). The document forces the Council to think of the various activities of the City government as parts of a greater whole. It presents to the Councillors the best expert advice which is available in the City's service covering many phases of administrative work with which most of them have little direct contact. When properly prepared and discussed, it is a valuable source of public information, enabling the citizens at large to know how much money is being raised for the support of government and the purposes for which every dollar is to be spent.

New Budget Recommended. There is great need in the budget procedure of Boston for an improved budget calendar, for an enlarged budget document, containing much more comparative data to inform both officials and the public, for the extension of the duties of the budget director who has been doing good work under difficulties, and for an allotment system which allocates



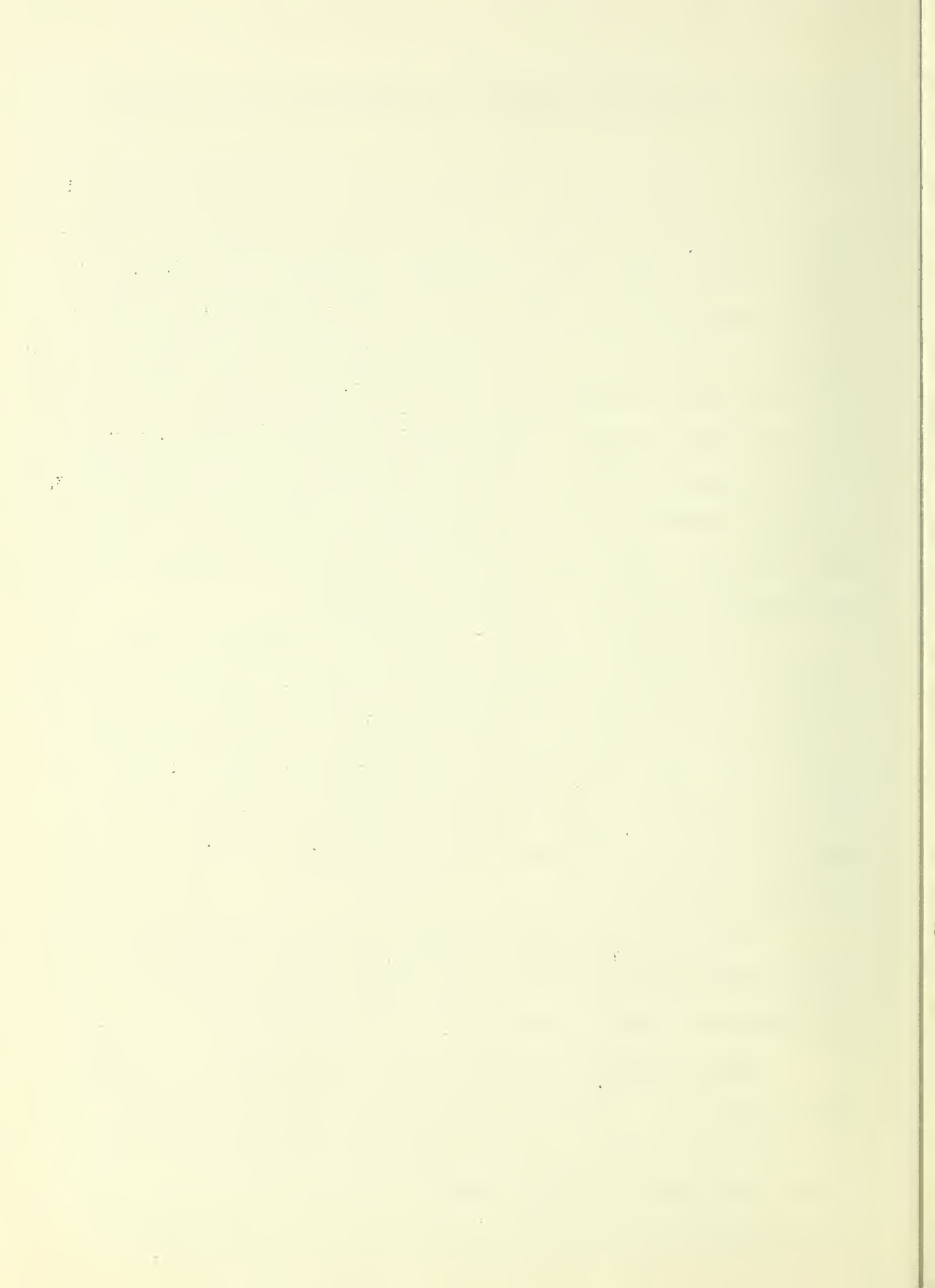
departmental appropriations throughout the year and thereby prevents overspending.

These requirements are discussed briefly in the following paragraphs. They are all incorporated in the Model Municipal Budget Law of the National Municipal League which is presented in Appendix A. This law constitutes part of the revised 1933 edition of the Model City Charter (first edition in 1900), a copy of which has been placed in the hands of each member of the Charter Revision Commission. Both the Model Budget Law, and the Model City Charter represent continued study of municipal problems by a distinguished group of persons, and are based upon three decades of experience of mayors, councillors, and city managers who have worked under different kinds of charters. They constitute the best thought of the country's leading authorities in the field of municipal government.

It is recognized, of course, that the Model Budget Law must be adjusted to the conditions which exist locally. Thus, it may be impossible to estimate state assessments and distribution of income until the Legislature has acted, some months after the start of the fiscal year. In that event, study may indicate the advisability of separate city and state tax rates, the former to be determined before the fiscal year starts, and the latter when ascertained.

The Research Bureau will be glad to work out problems such as this in a supplementary memorandum, if the Charter Revision Commission reacts favorably to the following general budget recommendations.

Budget Calendar. If the Model Budget Law is followed in Boston's Charter, the filing of departmental budget requests would be required at least sixty days before the new fiscal year starts (Nov. 1), and the Budget Director would prepare the Mayor's budget as a supplement to the City Record for submission to the Council at least thirty days before the beginning of



the fiscal year (Dec. 1). The City Council would be required to hold at least one public hearing, and to pass the necessary appropriations at least ten days before the fiscal year starts (Dec. 21). As indicated in the discussion below, the appropriations would then be allocated on a quarterly basis during the last ten days of the old fiscal period.

There may be objection to this calendar when applied to the new city administration elected each four years. Is it proper that an old administration should formulate and pass on a budget which will govern the activities of the first year of a new administration? Such a question has particular force with relation to the policies incorporated in a budget document which have been upset or altered as a result of issues raised during the election campaign. Before suggesting two alternative adjustments for meeting this situation, it should be noted that the complex affairs of city government cannot be mastered by a new administration, to the extent that budget decisions require, until a considerable period after the new administration is in office.

The first alternative for meeting the special conditions outlined above would be to stipulate that, at the advent of a new administration, the budget and tax rate established for that year by the preceding administration would apply unless revised by the Mayor and Council in the first quarter of the year. Any revised budget or tax rate should then take effect at the end of that quarterly period. If the new Mayor does not feel qualified to take action on the budget so quickly, he can then rely on the budget prepared by his predecessor.

The second, and less desirable alternative in the opinion of the Research Bureau, would be to provide that neither the budget nor tax rate be voted until the new administration is in office, but that the new administration must take action by the end of the first quarter. The objections to this alternative are, (1) that department operations would not be subject to budget

control during the first three months, (2) that the confusion and lack of knowledge of a new administration during the start of its activities would not be conducive to proper budgeting, and (3) that the budget set up by the former administration will probably be satisfactory for many of the technical operations of city government.

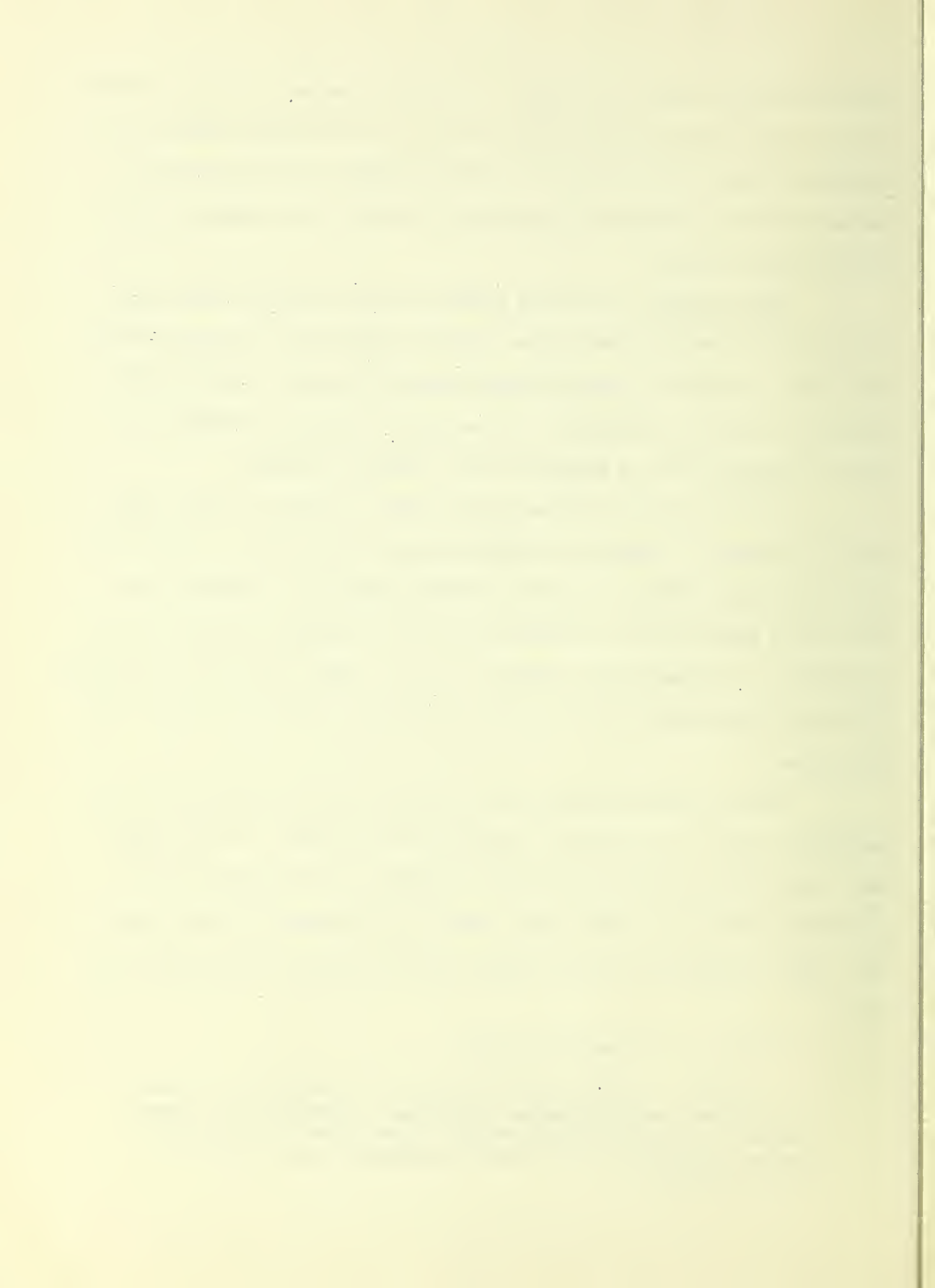
Budget Document. The Model Budget Law very properly requires much more information comparing both income and outgo with those of previous years than is the case with the present budget document of Boston. Moreover, this information would be published and time sequences would be so arranged as to permit of thorough study by councillors and interested citizens.

In line with good business procedure the new budget document would cover all current and capital expenditures planned for the year, all debt service charges, the actual or estimated operating surpluses or deficits from prior fiscal years, and the anticipated income for financing the total proposed expenditures. The fundamental principle of such a budget would be the limitation of estimated expenditures for the year's operations to estimated revenues from all sources.

Proposed borrowing outside the debt limit not yet authorized by the Legislature could not, of course, be included in the budget. To the extent that such capital expenditures are only partially completed in the year of authorization they are outside budget control, but unexpended balances along with loans authorized but not yet issued should be budgeted in the succeeding year.

The form of the budget would be:

Part I. A message from the Mayor outlining fiscal policies and important budget features, and giving a general budget summary showing the balance between proposed expenditures and anticipated income, and similar data for the last completed fiscal year and year in progress.



Part II. Detailed schedules supporting the above budget summary, and showing among other things, the decreases or increases from budget items of preceding years, with the reasons therefor.

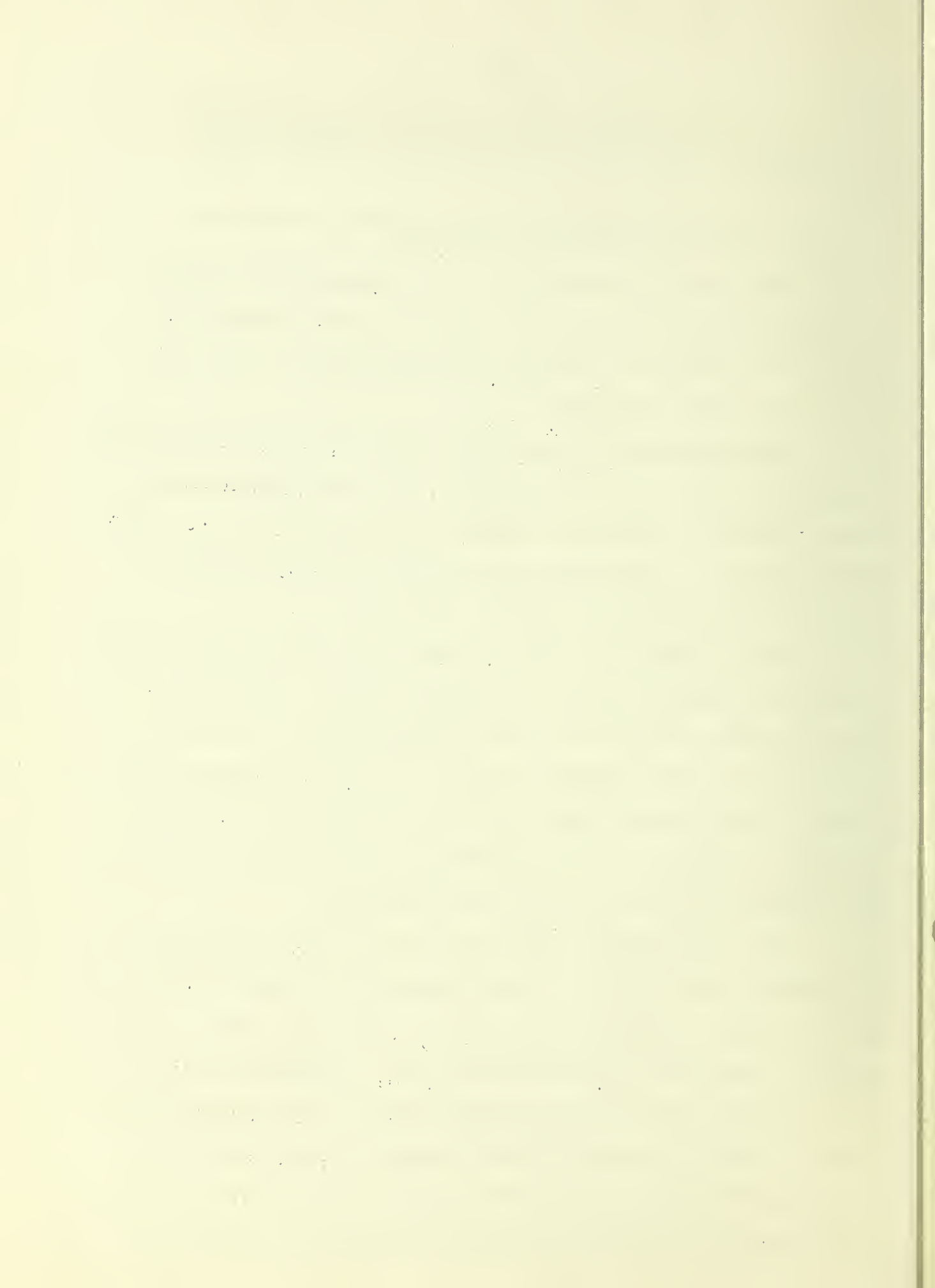
Part III. Complete drafts of ordinances or orders providing for proposed income and expenditure.

This plan is not theoretical. Its principal features have been successfully used in other cities and states. The budget documents of Toledo, Ohio, and Rochester, New York are two good examples of the use of the system with minor variations.

Allotment System. If income and outgo do not remain in equilibrium throughout the budget year, the budget will fail in large measure to accomplish its purpose of maintaining stability in governmental finances by making both ends meet. Overspending and the necessity for supplementary appropriations during the year will not be eliminated.

The new budget plan therefore proposes that each department prepare a work program within a week after the budget is voted. This program will divide the fiscal year into four quarters and will require an allocation of appropriations over four quarterly periods to adjust for the varying volume of work in city departments during the year. Some cities, such as Berkeley, California; Washington, D. C.; and Knoxville, Tennessee, use a monthly rather than a quarterly basis, but the latter seems sufficient.

The budget director should be required to approve this program at the beginning of the year, and to make adjustments at quarterly intervals as work requirements change, or income falls below estimates. It may be that successful development of carefully prepared work programs will result in an easing of the rigidity of the detailed itemization of the appropriations which now exists. Rochester, New York for example, is using lump sum appropriations with fully developed work programs. It is believed that this system permits a good official to adjust his expenditures to achieve the



most efficient results, and it is felt that the control of the budget director furnishes a better check on the incapable official than would be provided by any system of itemized appropriations.

A certain amount of flexibility can be obtained with Boston's segregated budget in either or both of two ways: (1) permit the Budget Commissioner, with the consent of the Mayor, to transfer items within a department with reasons in writing, open for inspection by the Council and public; and permit further transfers between departments if the consent of Council is also obtained at any one of the four quarterly intervals, or (2) set aside a small percentage of each departmental appropriation for use as a reserve fund.

Adjustment of the Present System. Although these suggestions for improving budget procedure may seem at first inspection to be of a rather extensive character, they do not destroy in any way the existing general system of state and municipal finance. It should be remembered that in other cities and states, where the model budget plan has been put in operation, adjustments with the existing scheme of municipal finance have been made successfully.

Once the broad policies of initiating proper budget control for Boston have been agreed upon, the problem becomes one of drafting a comprehensive statute to carry out the proposal. This bill-drafting must, of course, be done carefully and with due consideration of all phases of city and state financial methods to be affected thereby. In framing such a statute, consideration must also be given to proper devices for effecting the transition from the old system to the new plan.

As has been stated, the Research Bureau will be glad to assist in the work of formulating legislation designed to carry out the recommendations for improved budget procedure in Boston.

School Budgets. The foregoing discussion has outlined a modernized budget procedure for Boston. Such a scheme would contemplate two separate



budget documents to be set up -- a city-county budget and a school budget. While emphasis in the discussion has been placed on the city-county budget, the same essential principles are applicable to the school budget. The governing authorities in the case of the schools are the School Committee and the Mayor, rather than the Mayor and City Council.

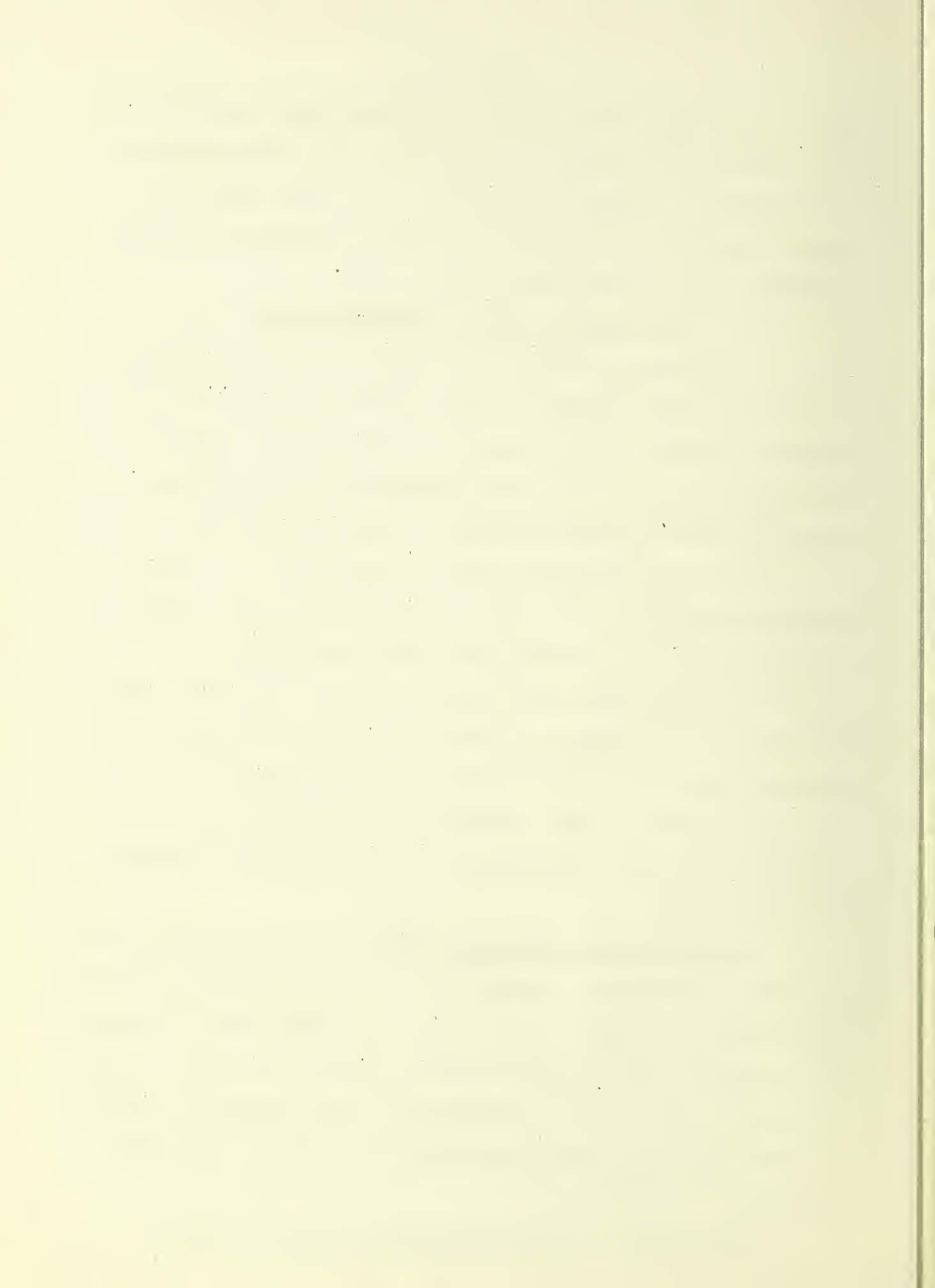
II. IMPROVING BOSTON'S ACCOUNTING SYSTEM

A modernization of Boston's "cash book" system of accounting would be a major step toward improving the administration of City finances. Shortcomings of the system have been pointed out for many years in reports of the Boston Finance Commission. While much progress has been made elsewhere in the field of municipal accounting, Boston's system has been changed but little.

The voters of Boston have expressed their desire for a change. A referendum (December 12, 1922) on the question, "Shall the City petition for the installation of an accounting system by the Commonwealth?" resulted in a vote of 27,474 in favor and 14,430 against. In spite of this vote, actual installation of a new system by the Commonwealth did not begin until approximately five years ago. Since that time the work has progressed at a very slow rate. Regardless of where responsibility for the delay rests, eleven years have elapsed since the referendum, and the old system of accounting is still in operation.

Charter Changes to Improve the System. The Research Bureau recommends three specific Charter changes which should aid materially in effecting modernization of the system. To fill these requirements, early completion of the installation of a new system would be forced. In addition, adherence to an improved system would be assured because of the necessity of "pointing" the system to yield the information required by the changes recommended in the Charter.

Specifically, it is recommended that the Charter require:



- a. Adoption of the accrual system of accounting.
- b. Restriction of the use of loan funds to the specified purposes.
- c. Annual publication of a statement of assets and liabilities of the City.

a. The Accrual System of Accounting. Twelve years ago the Finance Commission recommended an accrual system of accounting for Boston, and described the shortcomings of the system at that time as follows. The system is virtually unchanged today.

"The present auditing system of the City is a cash-book system, with the result that the income receivable but uncollected, and liabilities incurred but unpaid are not brought into account in arriving at the financial condition of the City at the end of the year."

An outstanding change in the accounting for liabilities and expense is recommended. Appropriations would be charged with contracts, orders and requisitions as made. At present no charge is made against city appropriations for liabilities incurred until the bills are paid, in some instances after the close of the fiscal year to which these transactions relate.

Without an accrual system of accounting accurate information as to operations and the financial condition of the City is lacking -- a situation full of pitfalls particularly in difficult financial times. Failure of the City to account for all of its liabilities is just as serious as if an individual wrote checks on his bank account, but failed to fill in his check stubs until receipt of his bank statement.

b. Restriction of Use of Loan Funds to Purposes Specified. General Laws, Chapter 44, Section 20, as amended by Acts of 1928, Chapter 224, reads in part as follows:

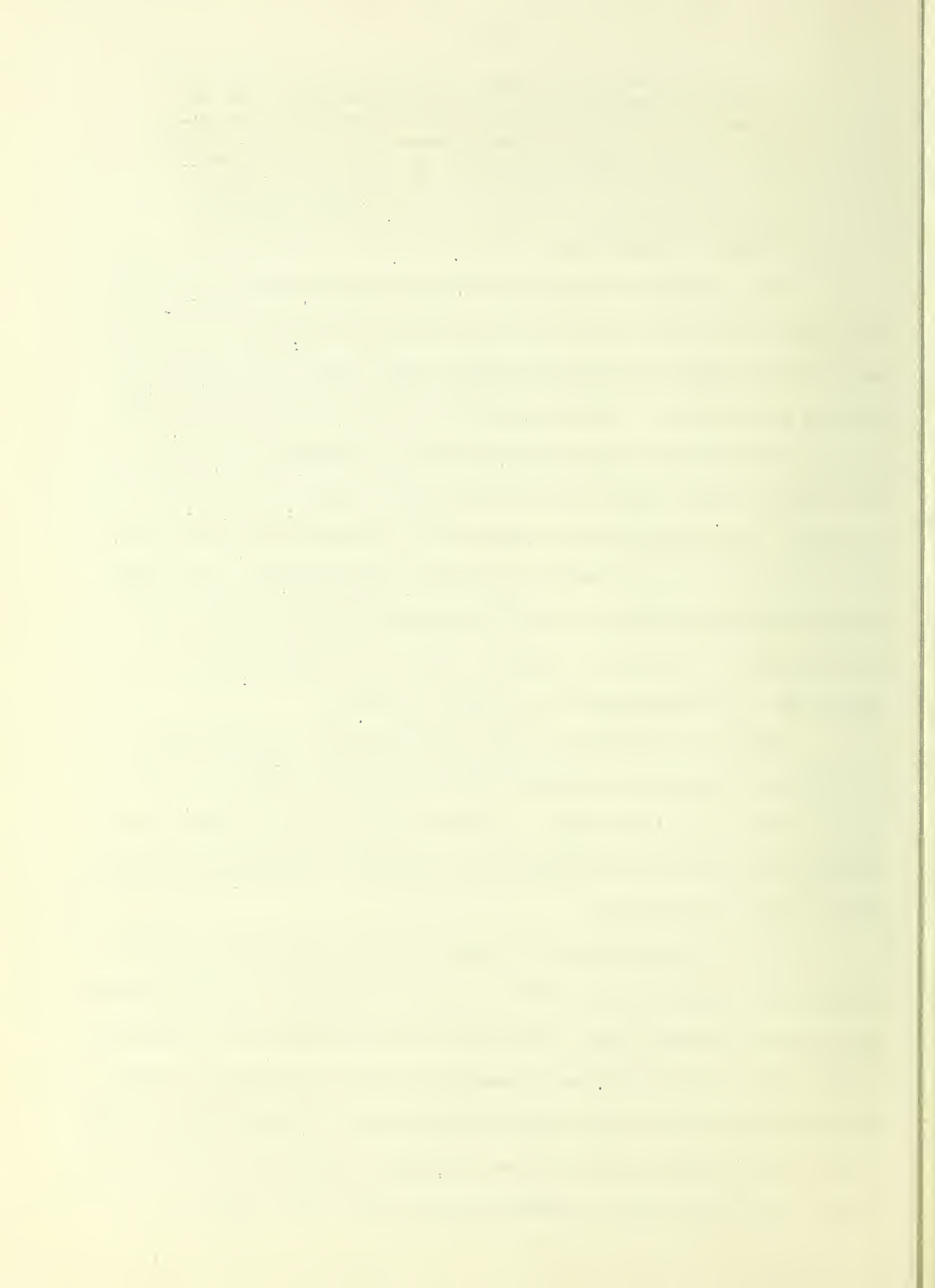


"The proceeds of any sale of bonds or notes, except premiums, shall be used only for the purposes specified in the authorization of the loan; provided, that transfers of unexpended amounts may be made to other accounts to be used for similar purposes or such unexpended amounts may, after the expiration of two years from the completion of the project for which the loan was authorized, be transferred to any other account established for purposes for which a loan may be authorized for an equal or longer period of time"

This provision was inserted in the Municipal Finance Act of 1913 (St. 1913, Chapter 719, Section 7) to prevent either permanent or temporary use of money derived from loans for purposes other than those specified in the loan authorization. Although published accounts of the City of Boston do not give direct information as to the extent of temporary use of money from loans for other purpose, such a practice does exist. It should be corrected. The Research Bureau recommends that the provisions of the section quoted above be made clearly and unequivocally applicable to the City of Boston either by special act or by incorporation of the provisions in the City Charter. It will be remembered that most of the provisions of Chapter 44 of the General Laws do not apply to Boston.

Published accounts of the City at present fail to disclose the allocation of cash between revenue, capital, and special fund accounts. Because of this lack of information the temporary use of cash for other than specified purposes is not disclosed in City accounts - an unhealthy situation in any system of accounting.

It may be argued that to prohibit the use of loan funds, temporarily idle, for current purposes would increase the amount of temporary borrowing, and hence interest costs. The Research Bureau believes that regardless of the merits of this objection, conservative finance and justice to those investing in City securities require that loan funds be kept inviolate. Under a conservative capital budget plan and reasonable consolidation of loans, the amount of idle loan money which must be kept on hand would be kept at a



minimum. Furthermore, temporary use of loan funds for current expenses is not economical since interest rates on temporary loans are commonly lower than those for longer terms.

c. Annual Publication of Statement of Assets and Liabilities. Still another defect in Boston's accounting system is a failure of published accounts to disclose at any one time the true financial condition of the City. In other words, the City publishes no real balance sheet.

The Research Bureau recommends that the Charter be modified to require the publication of a complete statement of the assets and liabilities of the City as of the end of each fiscal year.

III. PROVIDING FOR INDEPENDENT AUDIT, BY STATE DIVISION OF ACCOUNTS

In general the financial accounts and records of the City are not audited by any agency independent of the City government. Some auditing for certain funds is done by private auditors and some special work of a limited character has been done by the State Division of Accounts in its work on the accounting system.

No independent audit or investigation of Boston's finances is required by statute, nor is authority given the State Director of Accounts to make an audit of the accounts of the City. In other cities and towns of the Commonwealth, the State Director of Accounts is given the following authority to audit local accounts and investigate local financial affairs:

"The director may upon his own initiative, in the case of any city, except Boston, or any town, and shall, when requested by the mayor or city council of any such city or the selectmen of any town, if conditions appear to the director to warrant it, investigate the accounts and financial transactions and affairs of such city or town, or of any department, board, commission or officer thereof summary of essential features (of report) to be published at the expense of the city or town" (Chap. 155, Acts of 1932)

"The director shall cause an audit to be made of all cities and towns of the Commonwealth, except Boston, and may cause subsequent audits to be made of the accounts of each city and town,



except Boston, as often as once in two years, or annually at the request of the mayor or selectmen, and for this purpose he, or his duly accredited agents, shall have access to all necessary papers, books and records." (Section 40, Chap. 44, General Laws).

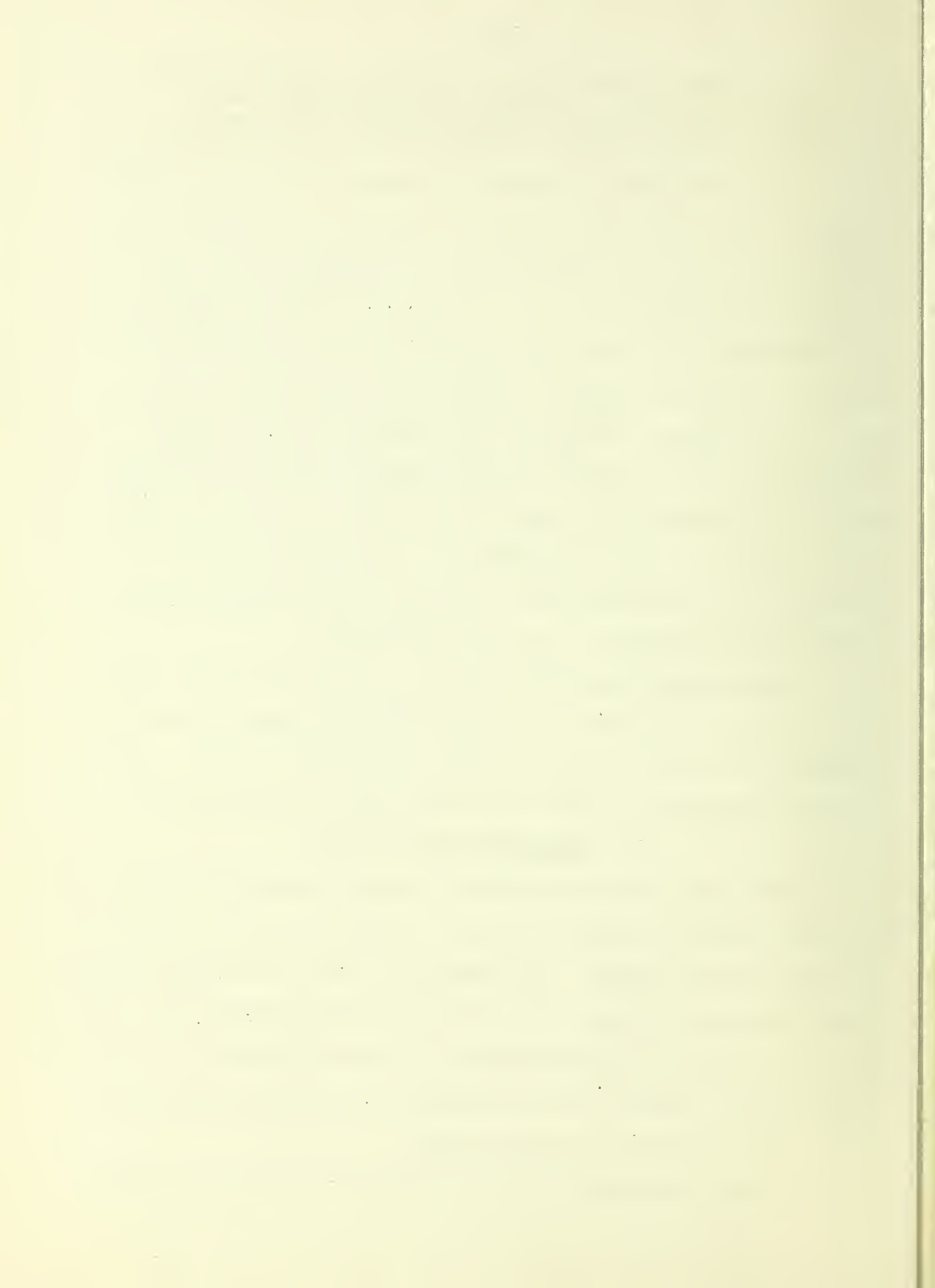
The Research Bureau recommends that changes be made in the statutes to require an audit by the State Director of Accounts as of December 31 in the final year of each city administration, to be completed in the first six months of the administration of a new mayor (i.e. 1938 and every four years thereafter). In addition, the State Director of Accounts should be empowered to make an investigation or audit on his own initiative at any time, or at the request of the Mayor or City Council of Boston. Besides being ordinary good business practice, this provision would have the advantages of (1) protection of the public, (2) protection for an incoming mayor, (3) the stimulation of improved accounting practice, and (4) a quadrennial examination of the accounting system. The report of the quadrennial audit should by Charter provision be open to public inspection.

The foregoing discussion has been related to city finances, excluding the county, and the schools. In view of the intermingling of financial transactions of all three of these divisions, the new legal provisions should cover the investigation and audit of all three phases of city finance.

IV. SIMPLIFYING SCHOOL TAX LIMIT

The present statutory limitation on school appropriations has always been a mystery to the general public. Nine separate tax limits are set up for nine separate purposes. (See Appendix B). These tax limits are applied to the average assessed value of the City for the three preceding years. To these sums are added (1) estimated income, (2) excess of income of the preceding year over estimates, and (3) unexpended balances. The final result is the actual limitation on the school budget.

From the foregoing, it is readily apparent that the present system



is complicated, confusing to the public, and in many respects a wholly illogical method of limiting school appropriations. The complexity of the system is one explanation of the lack of public interest or review of the school budget -- certainly an undesirable situation. Actually the operation of the limitation may work as an incentive to extravagance because of the segregation into nine limits, and the lack of relationship of the nine limits to changing school needs or the financial condition of the community and the City government.

The Bureau recommends that if the system of limiting school appropriations is continued, it be accomplished by a single tax or appropriation limit.

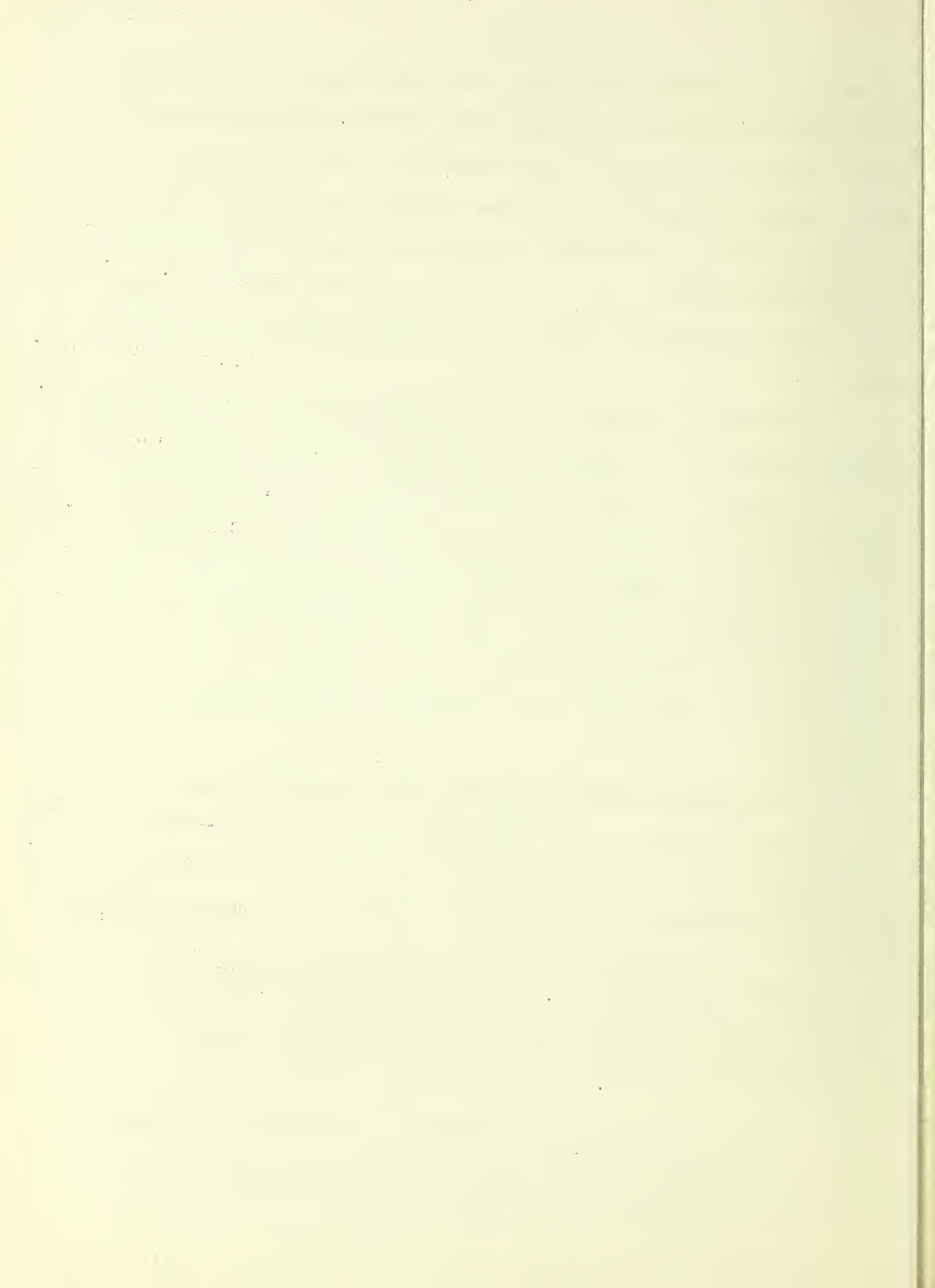
To enable the schools to formulate and operate under a full twelve months financial plan each year, it is vital that any limitation be established in time to permit adoption of the school budget as of January first. This could be accomplished in either of two ways: (1) A continuous limit if this maximum is to be of a generous character (as is now the case), (2) An annual limit fixed prior to the year in which it applies, if the limitation is to be more rigorous.

V. REQUIRING ABSOLUTE TWO-THIRDS VOTE OF COUNCIL ON LOANS

One contributing cause of the increased debt of the City is the virtual nullification, on occasions, of one of the safeguards on borrowing laid down by the present Charter. Section 2 of the Charter now requires that

" . . . all loans voted by the City Council shall require a vote of two-thirds of all the members of the City Council; and shall be passed only after two separate readings and by two separate votes, the second of said readings and votes to be had not less than fourteen days after the first." (The same provision relates to the sale and purchase of lands, exclusive of school land).

Under a preceding portion of Section 2, however, loans and ordinances become effective sixty days after presentation by the Mayor, if the City Council fails to reject them. A simple majority of the Council may



prevent a vote on a loan order and thus assure its passage after sixty days. This practice, in effect, nullifies the requirement of a two-thirds vote in the Council.

The Research Bureau urges that the "sixty-day provision" be eliminated. In every case, then, loan orders would require a two-thirds vote of the Council.

VI. PERMITTING REASONABLE PUBLIC INSPECTION OF RECORDS

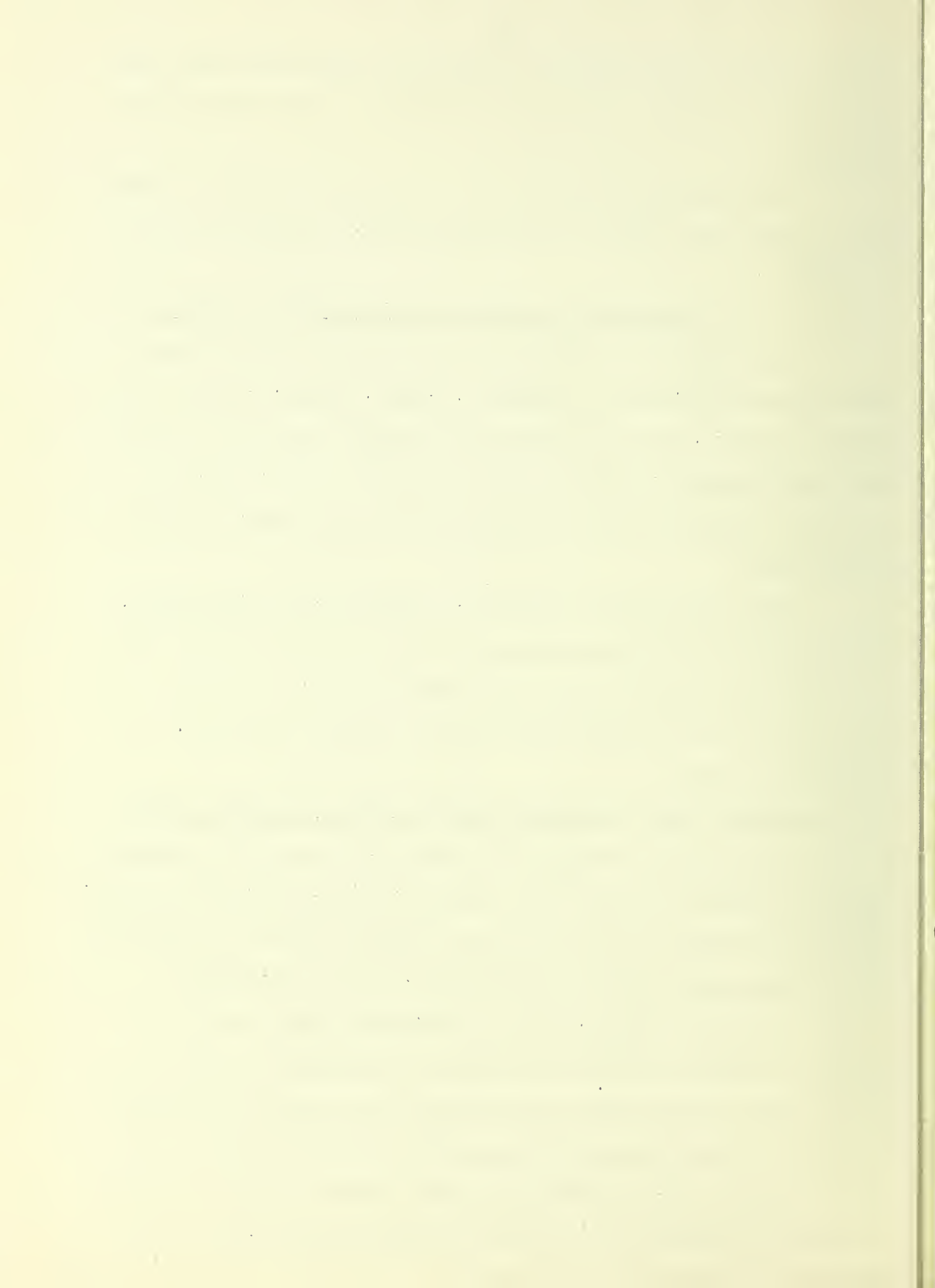
The consent of city officials in most cases must now be obtained before any public inspection of vouchers, accounts, and other financial records is possible. The Research Bureau urges that the City Charter specifically permit reasonable public inspection at any time. What constitutes "reasonable" inspection would, of course, be left to the courts, in case of disagreement.

This simple provision would have a salutary effect in increasing public confidence in an administration, would promote greater care by officials in the conduct of their work, would serve to verify or disprove any rumors of questionable practices, and would be a measure of protection and justice to the public.

VII. REQUIRING REASONS FOR CONTRACT AWARDS TO OTHER THAN LOWEST BIDDERS

Although city purchasing and contracting is, and has been for years wasteful and generally unsatisfactory, the fault lies chiefly in the field of discretion which necessarily must be left to executive officials, rather than because of the general system and safeguards laid down by the Charter.

One charter change, however, is recommended in this matter. The Charter now requires (Section 30) that detailed reasons must be published in the City Record for dispensing with advertising of any contracts over \$1000. The Research Bureau recommends that publication of detailed reasons for any contract awards to other than the lowest bidder should be similarly required. A wholesome improvement in the awarding of contracts should result, and certainly such explanation is due the public.



CENTRAL GOVERNMENT

I. PERMITTING THE MAYOR TO SUCCEED HIMSELF

Under Section 45 of the Charter, the Mayor is made ineligible for immediate re-election. With immediate re-election prohibited, the

mayor and his department heads are not faced with the necessity of seeking public approval at the end of a term. Public memory is too short to make defiance or negligence of the popular will, costly in a political sense after an intervening four year period. Probably the chief disadvantage of this provision has been a lessened responsibility to the people on the part of an administration.

The Research Bureau therefore recommends that the Mayor be made eligible for re-election. Such a change would permit continuity of administrative policies if the voters desire.

II. PROPOSING SMALL CITY COUNCIL, ELECTED AT LARGE BY
PROPORTIONAL REPRESENTATION

From time to time during the past century, Boston has experimented without any permanently satisfactory results with the form and manner of election of its City Council. Under the bi-cameral Council, the size and method of election of both houses was varied again and again until 1909 when the Council became a single-chambered body. From 1909 to 1925 the City Council was composed of nine members elected at large. Since 1925 the City Council has been composed of 22 members, one elected in each of 22 wards.

Ward election has not produced in general a high level of leadership. The election of a ward councilman has come to depend too much upon local benefits secured or promised, rather than upon the needs of the City at large. Several members of the present Council have frankly admitted the failure of the ward system.

The series of past changes in the form and method of election of

Section 1

The first part of the document discusses the importance of maintaining accurate records. It emphasizes that proper record-keeping is essential for the effective management of any organization. The text further states that records should be kept in a secure and accessible manner, ensuring that they are available when needed. This section concludes by noting that the following sections will provide more detailed information on specific record-keeping practices.

Section 2

This section focuses on the methods used to collect and analyze data. It describes various techniques for gathering information, including surveys, interviews, and observations. The text also discusses how this data is analyzed to identify trends and patterns. It is noted that the results of these analyses are used to inform decision-making and to develop strategies for improvement. The section ends by stating that the next part of the document will explore the application of these findings in a practical context.

the Council generally display an effort to gain one or both of two general objectives: (1) A small Council which will reflect the needs of the City as a whole, and (2) A Council which will assure some representation for districts. Under the present method of elections, no satisfactory combination of the two objectives has been worked out.

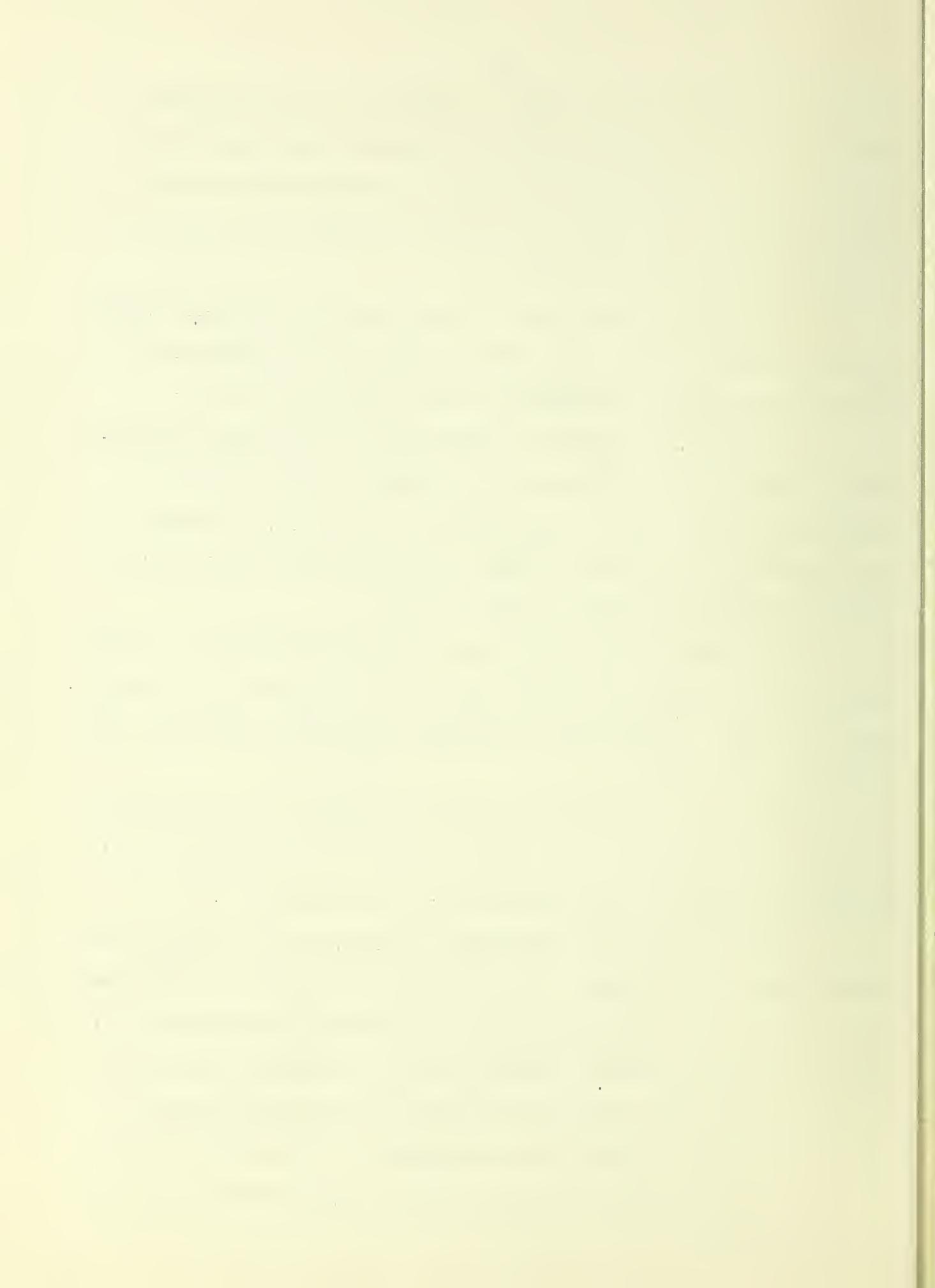
The unfairness of the system of ward elections of Councillors which has been the method in effect since 1925, is indicated by an analysis of Council election returns (see Appendix C) which is summarized below:

(1) Of the 110 Councillors elected since the ward system went into effect in 1925, a total of 65 individual candidates have been elected by a minority of the votes cast. If eight uncontested elections are excluded (the strength of the opposition, if any, being unknown) the ratio of successful minority candidates becomes even more striking.

(2) In three of the five elections the total vote for all 22 winning candidates was a minority of the total votes cast for all candidates, (41.5%, 46.9%, and 47.6%). In other words, the Council collectively did not represent a majority of the voters.

(3) In the individual wards, minority candidates have won all five elections from 1925-1933 in two wards; from four to five elections in ten wards; and from three to five elections in 14 of the 22 wards.

The Boston Municipal Research Bureau believes there is but one satisfactory solution for this defeat of true democratic principles -- a small Council, elected at large, by the Hare system of proportional representation. A small Council would facilitate effective operation. Election at large would facilitate consideration of City problems by the Council in the interest of the City as a whole. Election by the Hare system of proportional representation would assure the only just means of providing representation of minority groups or sections.



A brief description of the method of elections by proportional representation is presented in Appendix D. This system of "P. R." is in use for all elections of representatives in the Irish Free State, Austria, Denmark, Sweden, Norway and the Netherlands, and for municipal elections in such cities as Vienna, Amsterdam, Budapest, and Geneva. It is used for parliamentary elections in most of the countries of Europe. Its history on this Continent is much more recent. At present proportional representation is in use in three American cities; Boulder, Colorado (1917); Cincinnati, Ohio (1925); and Hamilton, Ohio (1927); and four Canadian cities; Calgary (1916), West Vancouver (1917), Winnipeg (1920), and St. James (1923).

The P. R. method of elections insures to any substantial part of the voting population, representation in proportion to the vote cast by different groups of opinion in the electorate. This not only insures minority representation, but true majority rule. The system is not applicable to the election of single officials, but only to the election of groups of representatives chosen from the same district.

Judge Seabury, in reporting on his investigation of the government of the City of New York, urged proportional representation as the method of elections for that city in the following words:

"Certainly, as I have said, one fundamental difficulty in securing decent and adequate government for the City of New York may be traced to the fact that the government is almost wholly in the hands of a single dominant political party. There is no minority representation to raise even a mild voice of protest.....The representation of all groups of like-minded citizens in proportion to their voting strength is a principle which has now been recognized and adopted in a very large part of the civilized world.....The voter's task in the system is extremely simple; it requires him only to number his choices, 1, 2, 3, etc. With the mechanics of the count he is no more concerned than he is with the mechanism of his electric light or his radio. (As to the several days to make the count of the ballots) it is more important to be represented at the city hall for four years than it is to celebrate one night in Times Square."

Unless and until the General Court and the City are prepared to go

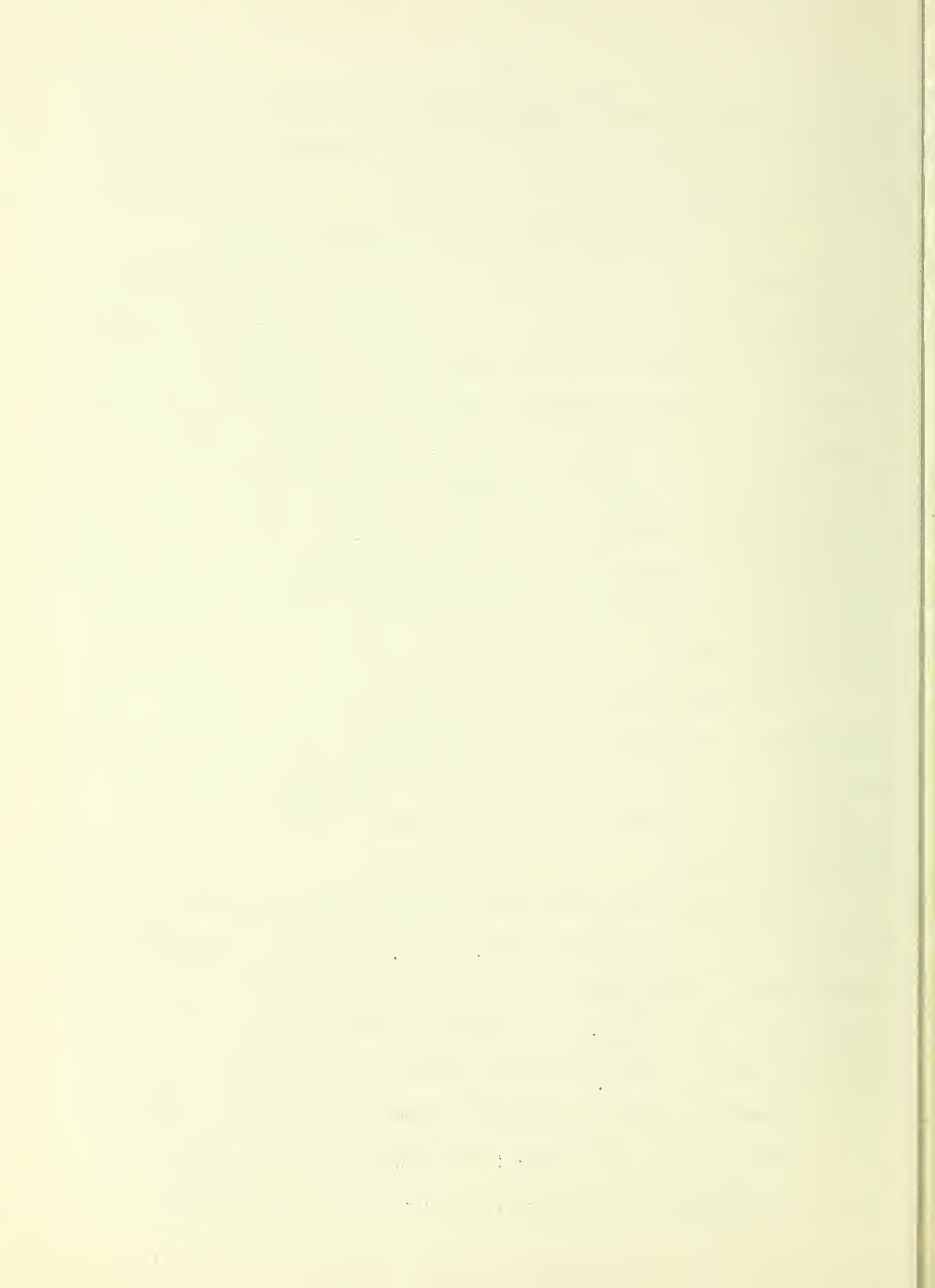
the whole way and adopt some plan such as this, we see little to be gained by a change to simple election at large, or election by boroughs, or any other of the various suggestions made to this Commission.

III. LIMITING THE NUMBER OF CITY DEPARTMENTS TO TWENTY

Contrary to accepted principles of efficient public administration, Boston's city government is administered by an excessive number of departments. In the case of the government of the Commonwealth of Massachusetts, the number of departments is limited by the State Constitution (Article LXVI of Amendments) to twenty -- the City of Boston has thirty-seven. In fiscal importance, the City departments range from the Art Department spending about \$500 a year to the Public Welfare Department spending about \$14,000,000. This excessive number of departments is responsible for a duplication of functions, high administrative and supervisory costs, inflexibility in working forces, and division of authority and responsibility.

The present Charter (Section 5) gives the Mayor and Council the power to "reorganize, consolidate, or abolish departments in whole or in part," but further provisions in the same section except so many departments from such control by the city administration, that an adequate reorganization is made practically impossible.

The Research Bureau recommends that the Charter be modified to limit the number of City departments to twenty. Of these twenty, six departments probably cannot be consolidated with other City departments for various reasons at this time, -- the department of the School Committee, and the Department of School Buildings with their separate tax limits and administrative control; and four departments wholly or partially in charge of an official or officials appointed by the Governor (The Boston Port Authority, the Boston Finance Commission, the Licensing Board, and the Police Department). The Research Bureau



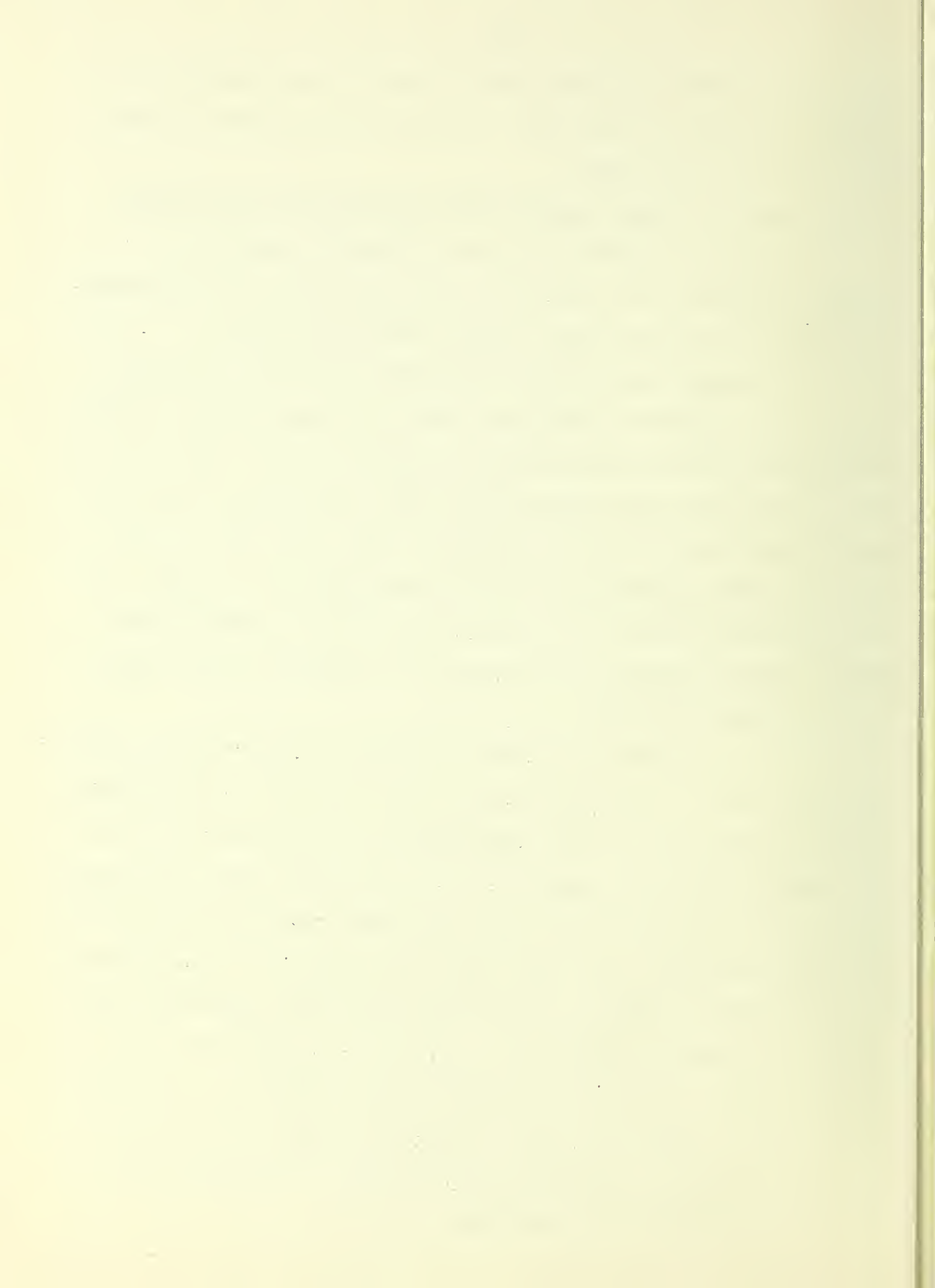
believes that the Mayor and Council should at least be given authority to re-organize, consolidate, or abolish any of the other city departments to comply with an over-all limit of twenty.

IV. PLACING THE TRANSIT DEPARTMENT UNDER THE PROVISIONS OF THE CHARTER

The Transit Commission of the City of Boston has charge of the planning, construction, and improvement of city-owned subways, and the planning and construction of the East Boston Vehicular Tunnel and approaches.

The Boston Transit Commission, from 1894 to 1918, was a commission created by and responsible to the General Court. It consisted of five members, two appointed by the Governor and three by the Mayor of Boston. Chapter 185 of the Special Acts of 1918 transferred the powers of the Boston Transit Commission to the City of Boston, and provided that such powers should be exercised by the "Mayor, Commissioner of Public Works and the City Treasurer, or by such person or persons not exceeding three as may be appointed by the Mayor." A Transit Commission was thereupon set up, composed of three commissioners appointed by the Mayor.

The exact status of the Transit Department in the governmental structure of the City has never been clearly set forth. The City Law Department has held that the Department is still of the character of a state agency and not a city department within the meaning of the provisions of the Boston City Charter. Under this interpretation it would appear that Charter regulations in regard to the various departments do not affect the Transit Department. This interpretation would imply (1) freedom of the Department from Charter regulations in regard to contracting and purchasing, (2) a lack of power on the part of the Mayor and Council to consolidate the Department with others or to abolish it, and (3) a lack of power on the part of the Mayor and Council over the Department's appropriations or expenditures beyond passage of loan orders for projects to be constructed by the Department.



The functioning of an agency of this type in the governmental organization of the City seems unwise from the standpoint of responsibility and efficient operation. There appears to be little real reason for the present status of the Department beyond a historical one and a tenuous interpretation of the legislative intent in the 1918 Act.

The Boston Municipal Research Bureau recommends that the status of the Department be definitely established as that of a City department subject to the provisions of the Charter. The fact that the Department receives no appropriations from taxes, but is sustained from loans, is no valid argument against such a step. Both capital projects and maintenance operation in City departments should be treated in a unified annual budget plan as is recommended in the budget section of this memorandum.

V. CHANGING THE COMPOSITION OF THE FINANCE COMMISSION TO THREE PAID MEMBERS

Section 17 of the Charter provides for a Finance Commission composed of five members -- a Chairman receiving an annual salary of \$5,000, and four additional unpaid members. Duties of the Commission are outlined as follows:

"To investigate any and all matters relating to appropriations, loans, expenditures, accounts, and methods of administration affecting the City of Boston, or the County of Suffolk, or any department thereof, that may appear to the commission to require investigation, and to report thereon from time to time to the mayor, the city council, the governor, or the general court."
(Section 18)

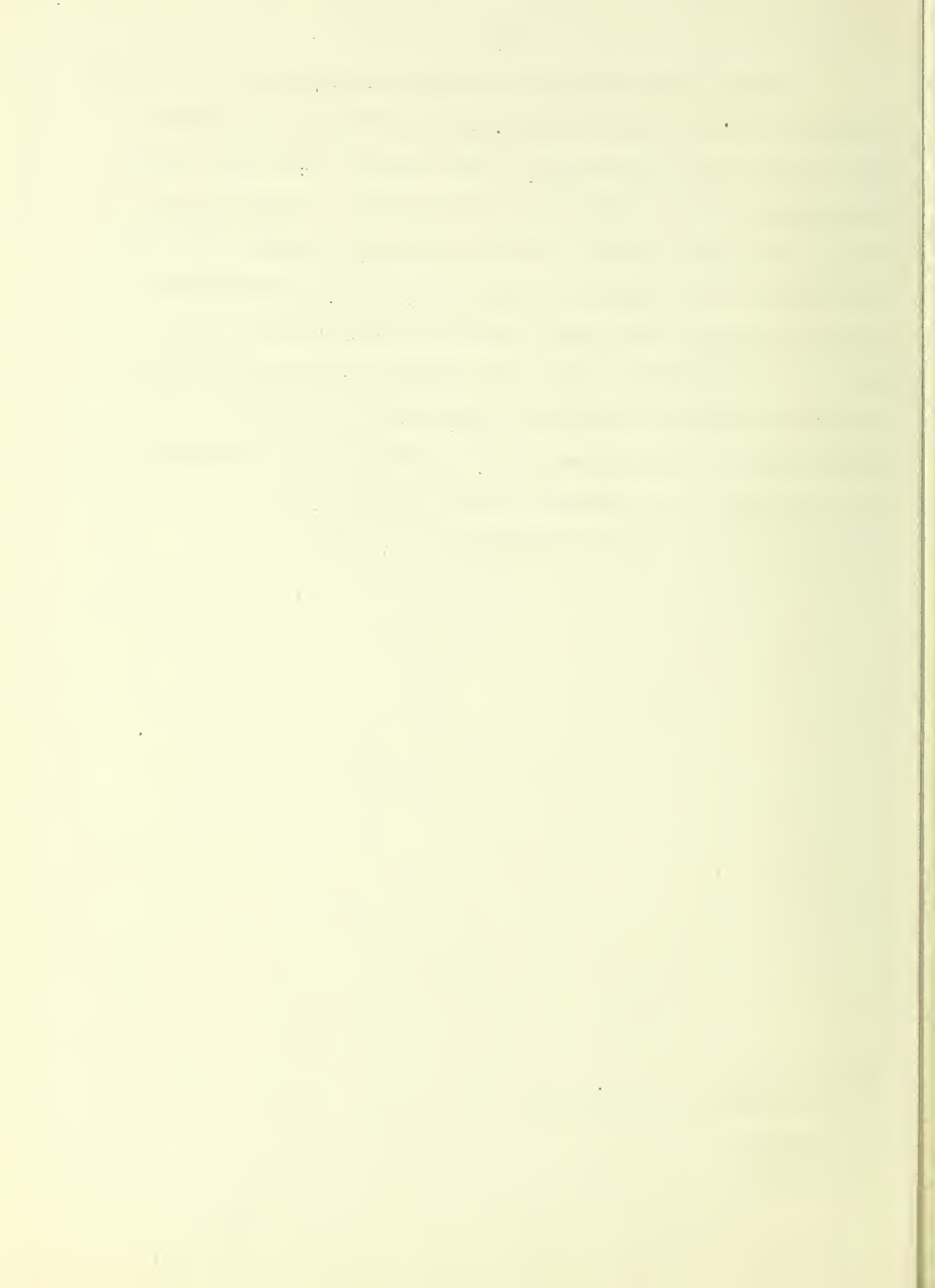
Operation of the Commission in the last twenty-four years has shown a general tendency on the part of the Commission to become a "one-man" agency. The four unpaid members have generally been extremely busy men, who have been faced with the necessity either of sacrificing their private business for adequate participation in the Commission's work, or giving insufficient time to the Commission to exercise active leadership. Consequently, the effectiveness of the Commission has been too dependent upon the decisions of the one member who can afford to devote more attention to the work -- the paid chairman.



So vital is the activity of the Finance Commission in the City government that the Research Bureau recommends that the Commission be modified to become a board of three paid members. This arrangement would make possible the appointment by the Governor of able men regardless of their financial ability to donate their services. On the other hand, the salaries themselves might well come to be regarded as political plums, and in that event the calibre of appointees would decline and the work of the Commission would suffer. It seems probable, however, that Governors of the Commonwealth would not permit the latter consideration to control their appointments to as important a body as the Finance Commission. The Research Bureau therefore urges the setting up of a Finance Commission of three paid members in an effort to improve the scope and effectiveness of its work.

Staff Members of
Boston Municipal Research Bureau

H. C. Loeffler
S. S. Sheppard
A. H. Whitman



APPENDIX A

BUDGET PROVISIONS CONTAINED IN THE MODEL CITY CHARTER

PREPARED BY A FINANCIAL BODIED COMMITTEE FOR THE NATIONAL MUNICIPAL LEAGUE

(1st Edition, 1900; 2nd Ed., 1915; 3rd Ed., 1925; 4th Ed., 1933)

Section 62. Fiscal Year. The fiscal year of the city government shall begin on the first day of and shall end on the last day of* Such year shall constitute the budget year of the city government.

Section 63. Scope of the City Budget.** The budget for the city government shall present a complete financial plan for the ensuing fiscal year. It shall set forth all proposed expenditures for the administration, operation, and maintenance of all departments and agencies of the city government for which appropriations are required to be made or taxes levied by the city government;*** all expenditures for capital projects to be undertaken or executed during the fiscal year;**** all interest and debt redemption charges during the fiscal year; and the actual or estimated operating deficits from prior fiscal years. In addition thereto the budget shall set forth the anticipated income and other means of financing the total proposed expenditures of the city government for the fiscal year.

Section 64. The Budget Document. The budget document, presenting a financial plan for the city government as outlined in the preceding section, shall consist of three parts, as follows:

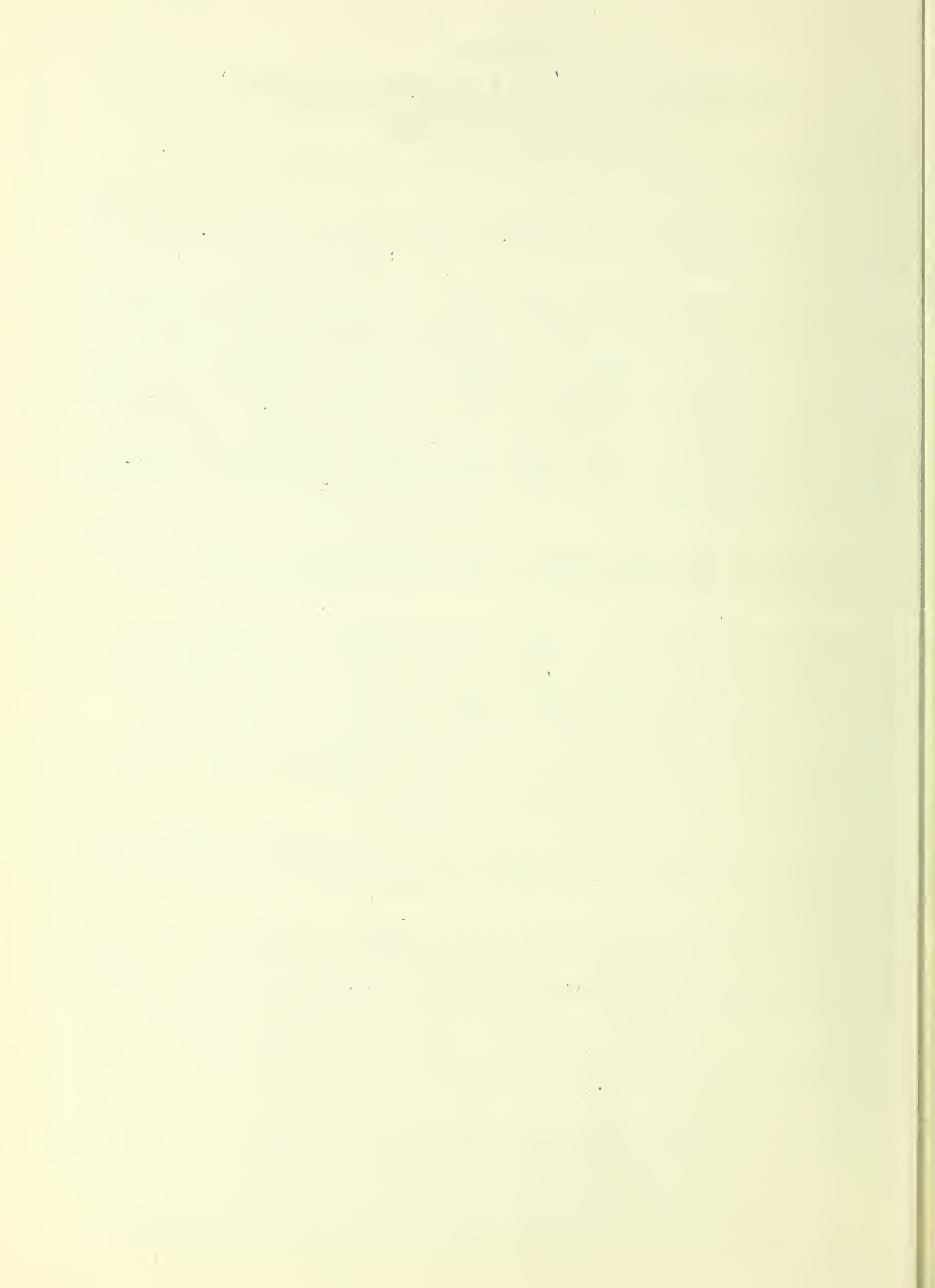
Part I shall contain (1) a budget message prepared by the manager which shall outline a fiscal policy for the city government, describing therein the important features of the budget with reference both to proposed expenditures and anticipated income; (2) a general budget summary with a few supporting schedules, which shall exhibit the aggregate figures of the budget in such manner as to show a balanced relation between the total proposed expenditures and the total anticipated income for the fiscal year covered by the budget, and which shall compare these figures with the corresponding figures of the last completed fiscal year and the year in progress;

*The fiscal year should begin either on January 1, or July 1, depending upon the requirements of state law, election of city officials, assessment and tax collection periods, etc. The political (councilmanic) year should begin before the fiscal year.

**The provisions of this section and the subsequent sections relating to the budget are drawn from the Model Municipal Budget Law of the National Municipal League. Where this model law has been adopted in a state and when such law cannot be superseded by charter or ordinance, the detailed budgetary provisions written in this charter for an individual city will be largely unnecessary.

***Publicly owned utilities should be included, but each one of these may be shown in the budget as a self-supporting enterprise by using the device known as an annexed budget.

****A complete financial plan for the city government, including expenditures for current and capital purposes, is undoubtedly both desirable and feasible. It may not be entirely feasible, however, to include in the budget all special assessment projects, such as projects initiated by property owners, but at least the portion of special assessments to be paid by the city government should be included. A five or ten-year financial program should be developed for the city government and adopted by the council as the basis of making capital expenditures.



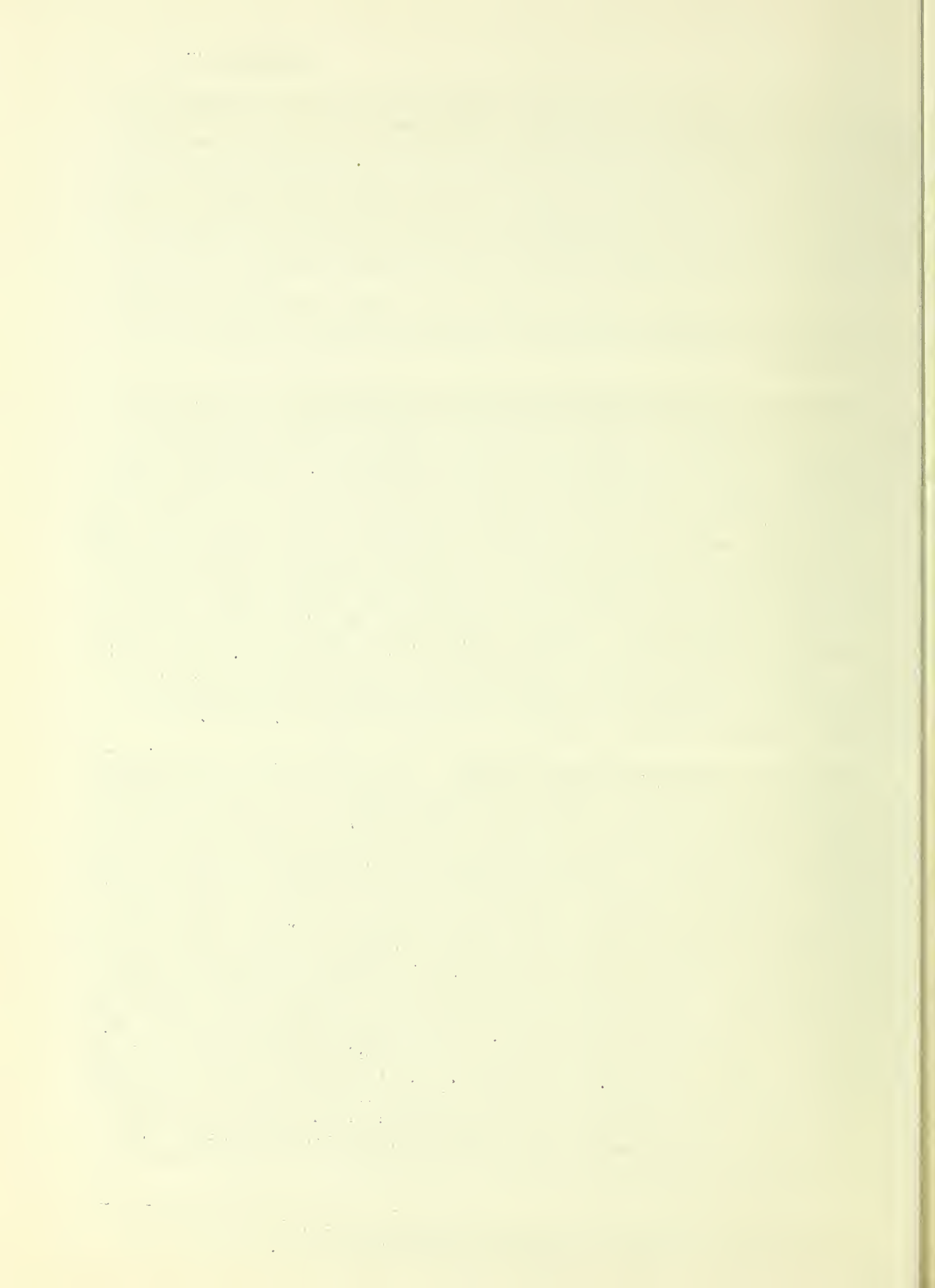
Part II shall contain (1) detailed estimates of all proposed expenditures, showing the corresponding expenditures for each item for the current fiscal year and the last preceding fiscal year with explanations of increases or decreases recommended as compared with appropriations for the current fiscal year; (2) detailed estimates of anticipated revenues and other income; (3) delinquent taxes, if any, for current and preceding years, with percentages collectible; (4) statements of the bonded and other indebtedness of the city government, showing the debt redemption and interest requirements, the debt authorized and unissued, the condition of the sinking funds, if any, and the borrowing capacity of the city;

Part III shall contain complete drafts of the budget ordinances, including an appropriation ordinance and such other ordinances as may be required to finance the budget.

Section 65. The Preparation and Adoption of the Budget. At least sixty days prior to the beginning of the fiscal year the departments and agencies of the city government shall transmit estimates of their budgetary requirements to the department of finance, which shall prepare a budget for the manager in the form required by the next preceding section of this charter. The manager shall transmit this budget to the council at least thirty days before the beginning of the fiscal year. The Council shall arrange for and hold at least one public hearing on the budget during the period of its consideration. The council may revise, alter, increase, or decrease the items of the budget, provided that when it shall increase the total proposed expenditures, it shall also increase the total anticipated income so that the total means of financing the budget shall at least equal in amount the aggregate proposed expenditures. When the council shall make such changes, it shall issue a statement setting forth clearly its action on the budget. At least ten days before the beginning of the fiscal year, the council shall approve the budget plan and shall enact the appropriation ordinance.* As soon thereafter as possible the council shall pass the tax levy ordinance and such other ordinances as may be required to make the budget effective.

Section 66. Work Program and Allotments. Immediately before the beginning of the fiscal year the head of each department or agency of the city government shall submit to the department of finance a work program for the year, which program shall include all appropriations for its operation and maintenance and for acquisition of property, and shall show the requested allotments of said appropriation for such department or agency by quarters (or by months) for the entire fiscal year. The manager, with the assistance of the department of finance, shall review the requested allotments in the light of the work program of the department or agency concerned, and may, if he deems necessary, revise, alter, or change such allotments before authorizing the same. The aggregate of such allotments shall not exceed the total appropriation available to said department or agency for the fiscal year. The department of finance shall authorize all expenditures for the departments and agencies to be made from the appropriations on the basis of approved allotments and not otherwise. The approved allotments may be revised during the fiscal year by the manager, or upon application by the head of any department or agency approved by the manager. If at any time during the fiscal year the manager shall ascertain that the available income, plus fund balances, for the year will be less than the total appropriations, he shall reconsider the work programs and allotments of the several departments and agencies and revise them so as to forestall the making of expenditures in excess of the said income and fund balances.

* Provision may be made for preliminary appropriations, in the event the budget is not enacted before the beginning of the fiscal year.



Section 67. Transfer of Appropriations. The council may, upon the recommendation of the manager, transfer any unencumbered appropriation balance or any portion thereof within a department or agency of the city government or from one department or agency to another.

Section 68. Money to be Drawn from Treasury in Accordance with Appropriation. No money shall be drawn from the treasury of the city, nor shall any obligation for the expenditure of money be incurred, except in pursuance of the annual appropriation ordinance or of such ordinance when changed as authorized by the next preceding section of this charter. At the close of each fiscal year any unencumbered balance of an appropriation shall revert to the fund from which appropriated and shall be subject to reappropriation; but appropriations may be made by the council, to be paid out of the income of the current year, in furtherance of improvements or other objects or works which will not be completed within such year, and any such appropriation shall continue in force until the purpose for which it was made shall have been accomplished or abandoned.



APPENDIX B

APPROPRIATING POWER FOR MAINTENANCE OF THE SCHOOL SYSTEM

(Excludes an additional tax limit of \$0.68 for land and buildings for schools)

The following table shows the growth in appropriating power for maintenance per thousand dollars of the valuation on which appropriations are based, beginning with the financial year 1916-17.

Finan. Year	Gen. Purp. (1)	(See bottom of page for column headings)							Total (9)
		(2)	(3)	(4)	(5)	(6)	(7)	(8)	
1916-17	\$3.40	\$0.35	--	--	\$0.04	\$0.02	\$0.02	\$0.07	\$3.90
1917-18	3.40	.35	--	--	.04	.02	.02	.07	3.90
1918-19	3.67	.35	--	--	.04	.02	.02	.07	4.17
1919-20	4.11	.35	\$0.02	\$0.02	.08	.06	.02	.07	4.73
1920-21	5.37	.84	.02	.02	.10	.08	.02	.07	6.52
1921-22	6.30	.84	.02	.02	.11	.09	.03	.07	7.48
1922-23	6.30	.84	.02	.02	.11	.09	.03	.07	7.48
1923-24	6.30	.91	.02	.02	.11	.09	.03	.07	7.55
1924-25	6.30	.91	.02	.02	.11	.09	.03	.07	7.55
1925	6.30	.91	.02	.02	.11	.09	.03	.07	7.55
1926	6.84	.91	.03	.03	.15	.11	.04	.07	8.18
1927	6.92	.91	.03	.03	.15	.11	.04	.07	8.26
1928	6.94	.91	.03	.03	.15	.11	.04	.05	8.26
1929	6.96	.91	.03	.03	.15	.11	.04	.05	8.28
1930	7.20	.91	.03	.03	.15	.12	.04	.05	8.53
1931	7.20	.91	.03	.03	.15	.12	.04	.05	8.53
1932	7.20	.91	.03	.03	.15	.12	.04	.05	8.53
1933	7.20	.91	.03	.03	.15	.12	.04	.05	8.53

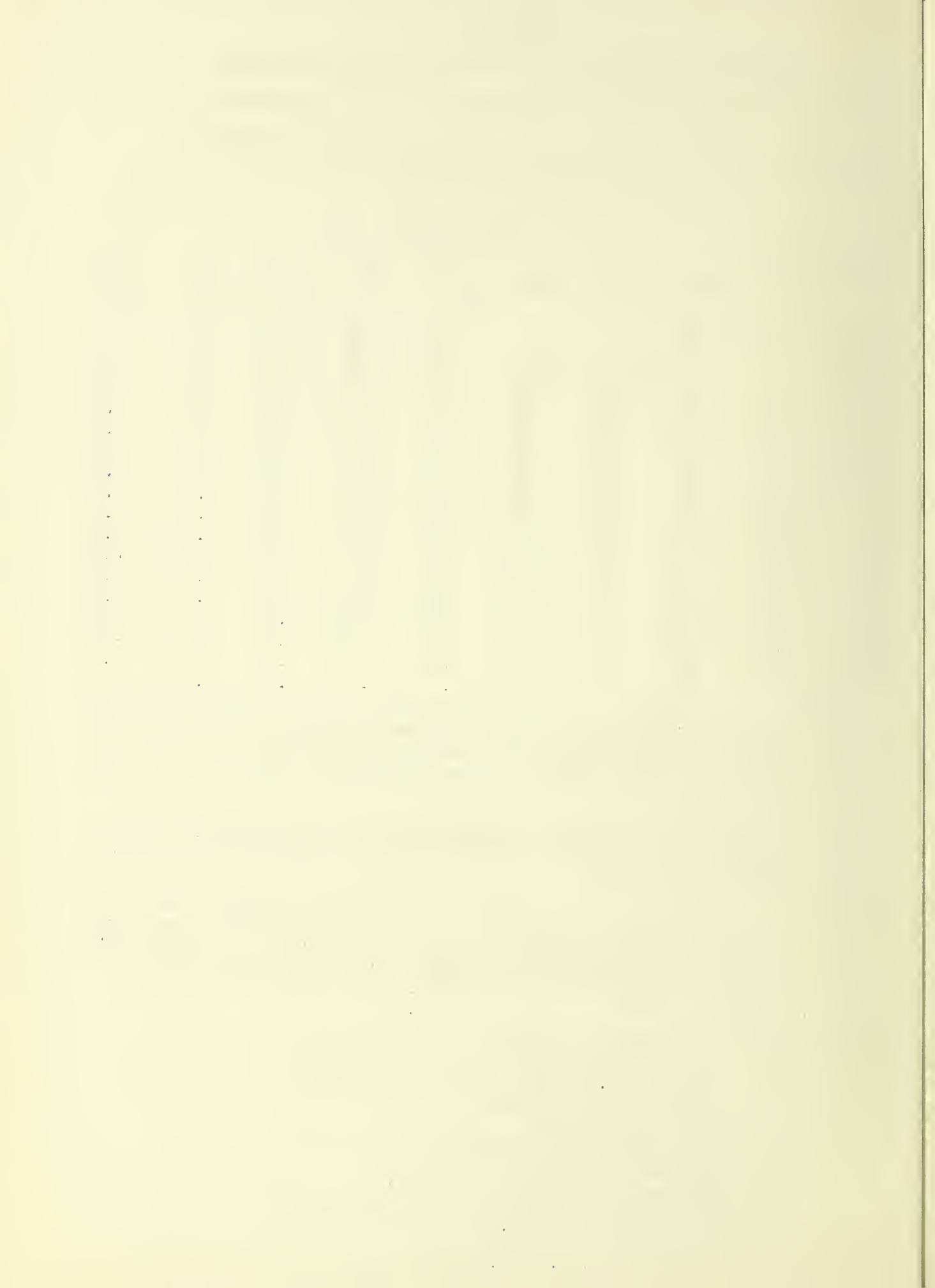
Notes: A. In addition to the appropriation power per \$1,000 of the valuation on which appropriations are based, the School Committee is further authorized to appropriate each year the estimated income; the excess of income, if any; and the unexpended balances of the preceding financial year.

B. Pensions to teachers' appropriation covers pensions to those teachers retired before the establishment of the Boston Retirement System and to future retirements of teachers who did not become members of such system.

C. Prior to the year 1925 the period of the financial year covered twelve months, from February first of one year to January thirty-first of the following year. In 1925 the financial year period was changed to the calendar year period. (For details see Business Manager's report for the year 1925).

Column headings:

- (1) General School Purposes
- (2) Alteration and Repair of School Buildings
- (3) Vocational Guidance
- (4) Promoting Americanization
- (5) Physical Education
- (6) School Physicians and Nurses
- (7) Extended Use of the Public Schools
- (8) Pensions to Teachers
- (9) Totals Allowed per \$1,000 of the Valuation



APPENDIX C

PERCENTAGE OF VOTES RECEIVED BY ALL WINNING CANDIDATES IN THE ELECTION OF CITY COUNCILORS SINCE 1925

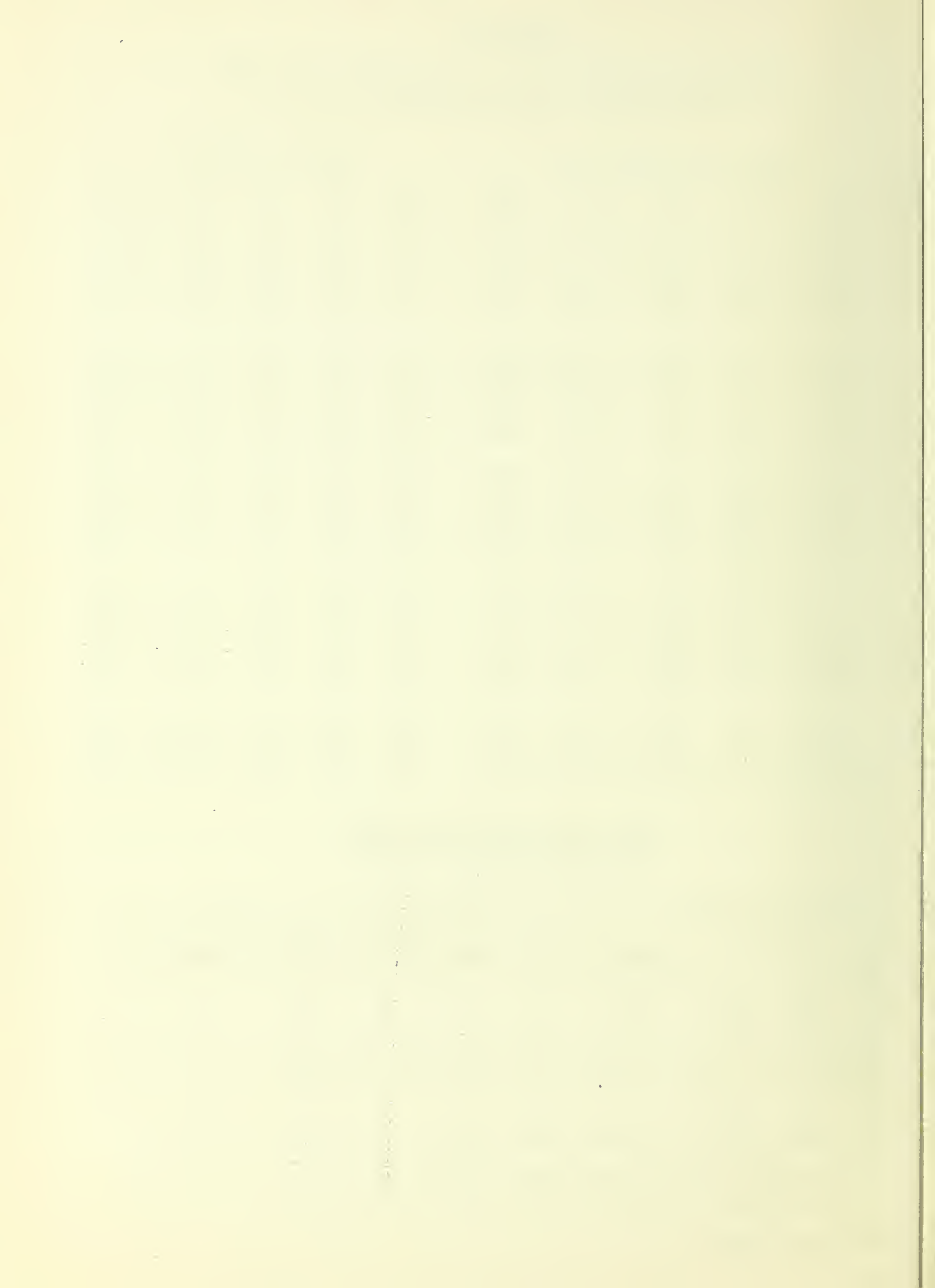
Ward No.	Total Vote in Each Ward					% of Total Vote for Winning Candidate				
	1925	1927	1929	1931	1933*	1925	1927	1929	1931	1933
1	9,690	7,347	11,466	10,290	14,653	31.5	35.2	40.7	48.3	32.7
2	9,323	8,349	10,626	5,819	10,527	58.8	56.7	49.1	67.0	45.9
3	5,573	3,338	8,002	4,475	10,807	96.7	99.9	55.6	100.0	40.5
4	6,668	2,785	7,427	4,535	7,911	59.0	67.3	53.2	65.4	68.7
5	7,039	3,092	7,777	3,140	6,735	77.1	100.0	49.3	99.9	99.7
6	8,011	2,700	8,768	7,760	11,058	23.1	100.0	40.6	47.5	38.0
7	8,079	2,530	9,671	7,643	10,666	42.7	99.5	38.7	43.3	55.1
8	7,250	5,054	7,730	6,724	8,345	36.5	60.1	53.4	42.5	64.1
9	6,977	4,218	6,865	5,147	8,042	35.5	67.4	27.8	36.0	65.2
10	8,088	6,721	9,277	7,522	9,601	45.2	22.9	51.8	33.1	43.0
11	8,005	5,800	9,251	7,342	9,827	28.9	41.5	45.9	46.6	46.4
12	8,062	4,039	8,714	6,851	10,611	35.6	66.2	38.7	46.6	40.0
13	8,271	4,943	9,057	6,552	9,688	24.4	50.1	40.6	44.6	38.4
14	8,378	7,044	10,516	10,723	13,583	35.6	53.6	44.9	30.7	36.6
15	8,254	4,100	9,717	7,931	9,866	32.3	40.1	27.5	64.4	35.8
16	7,447	5,139	10,913	8,223	13,410	64.6	32.5	63.1	46.5	31.0
17	8,733	5,451	10,864	9,873	13,057	30.4	57.1	54.7	52.8	50.9
18	8,229	6,647	12,317	11,096	14,308	27.0	44.6	46.8	55.6	47.9
19	8,211	4,831	10,560	7,491	11,054	30.3	47.6	56.6	58.3	57.1
20	8,660	2,928	12,037	9,216	14,302	46.0	99.7	46.4	49.7	30.2
21	6,337	2,187	8,176	5,177	9,641	50.3	86.5	47.5	24.2	43.8
22	7,269	6,146	9,713	5,231	10,220	27.3	48.6	69.5	82.2	63.2
	172,654	105,389	209,449	158,761	238,412	41.5	56.1	47.6	51.2	46.9

SUMMARY OF PERCENTAGE OF VOTES RECEIVED BY WINNING CANDIDATES

(Elections of 1925 - 1933)

% of Total Vote for Winner	Elections of					
	1925	1927	1929	1931	1933	Total
Under 30.0%	5	1	2	1	--	9
30 -- 39.9%	8	2	2	3	7	22
40 -- 49.9%	3	5	10	9	7	34
NO. MINORITY CAND.	16	8	14	13	14	65
50 -- 59.9%	3	4	6	3	3	19
60 -- 69.9%	1	4	2	3	4	14
Over 70.0%	2	6	--	3	1	12
NO. MAJORITY CAND.	6	14	8	9	8	45
TOTAL ELECTED	22	22	22	22	22	110

* Unofficial returns.



APPENDIX D

THE SYSTEM OF PROPORTIONAL REPRESENTATION

The proportional representation (or "P. R.") method of elections seeks to make every ballot cast effective. It minimizes the number of votes that are wasted or "lost" because they do not help elect anyone. The system is based on the use of a ballot which allows the voter to mark it so that if the candidate who is his first choice fails to obtain the number required for election, the vote will not be lost but will be counted for the second, third, or even later preferences. Thus if the vote cannot help the first choice it becomes effective for a later choice.

The Ballot. The type of proportional representation ballot which has been successfully used in Cincinnati for eight years is simple and easily voted. The names of all candidates for council are arranged alphabetically, and the printing of the ballots is "rotated" so that each name comes first on an equal number of the ballots used. The names are usually placed on the ballot by petition. In voting, the voter marks the figures 1, 2, 3, and so on after the names, according to his preference. He can express as few or as many choices as he desires. The idea is to indicate in order of preference what other candidates he would like to help if his vote is not needed to help his first choice for election.

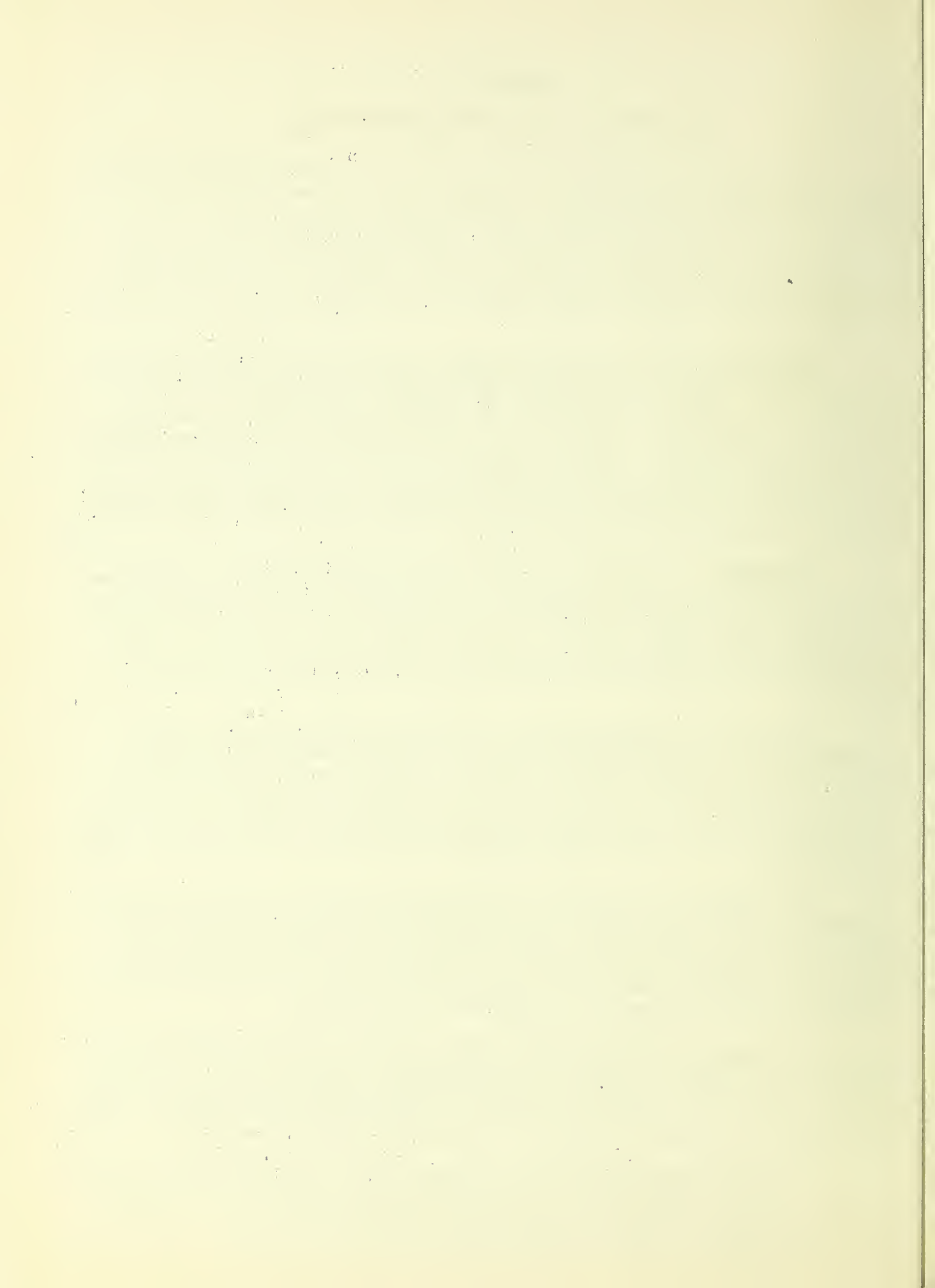
The Count. The ballots on Election Day are transferred to a central board of elections where officials count the first choice totals for each candidate. The quota to elect each candidate is fixed in the law or is calculated as a percentage of the total valid vote. If any candidate is found to have enough votes to elect him, either on the preliminary count of first choices or as the counting proceeds, he is declared elected and no further votes are counted for him.

Suppose one of the candidates has more than the quota necessary to elect him. If one-fourth of his total vote is surplus, every fourth ballot (taken from piles arranged by numbers which are printed on the ballots prior to election) is transferred to the second choices indicated. Whenever this addition of second choices to the first choices for any individual candidate increases his total number of votes to the quota necessary to elect him, third choices are then used, and so on.

The transfer of surpluses practically never elects a sufficient number of candidates. The lowest candidate is therefore declared defeated, and his votes are transferred according to second choices, or to later choices if the second choice candidate has already been declared elected. The elimination of the lowest candidates continues until the necessary election quotas have been accumulated for the full number of candidates to be elected.

References. Many references to the literature on this subject can be obtained by consulting the text book: "Proportional Representation" by Hoag and Hallett, and also from a supplement to the National Municipal Review, dated May, 1930, and entitled "The Practical Workings of Proportional Representation in the United States and Canada," by Joseph P. Harris, University of Wisconsin.

The Boston Charter Revision Commission report of 1923 (House Doc. 1220, Jan. 1924) contains a minority textual report and supporting detailed appendixes prepared by George R. Nutter and Dora Emerson Wheeler urging the use of proportional representation in the election of the City Council of Boston. The majority



report closed with the following statement: "The Commission has given considerable time to a study of the system of proportional representation in electing members of the council and school committee, and while several members are convinced that it is desirable, the majority believes that it is inadvisable to adopt the system at the present time."

Sample Result Sheet. The following sample result sheet shows the final tabulation of a fictitious election at which 70 ballots were cast (illustrating an election involving 70,000 or 700,000 ballots) - five candidates were to be elected, and a quota of 12 was decided on as the number of votes necessary to elect a candidate. It should be noted in the last column that 60 of the 70 votes played a part in electing the candidates indicated.

Candidate	First Choices	Trans- fer of surplus	Re- sult	Trans- fer of low man	Re- sult	Trans- fer of low man	Re- sult	Trans- fer of low man	Re- sult	Final Result
Smith	8	+4	12*		12		12		12	Elected
Catt	7	+2	9		9		9	+3	12*	Elected
Green	8		8	+1	9		9	+3	12*	Elected
Hillquit	1		1	-1	Out		Out		Out	
Coolidge	22*	-10	12		12		12		12	Elected
Johnson	7	+2	9		9		9		9	
Long	6		6		6		6	-6	Out	
Brandeis	9	+2	11		11	+1	12*		12	Elected
Underwood	2		2		2	-2	Out		Out	
Exhausted						+1	1		1	
Total	70		70		70		70		70	

*Declared elected.



